In the Supreme Court of the United States

OCTOBER TERM, 1971

No. 71-703

UNITED STATES OF AMERICA, APPELLANT,

v.

FIRST NATIONAL BANCORPORATION, INC., AND THE FIRST NATIONAL BANK OF GREELEY

ON APPEAL FROM THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLORADO

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Testimony of Keith Anderson—direct [23]	1997
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DX1

COMMERCIAL BANKS IN COLORADO
YEAR END 1970

Color Code

First National Bancorporation	(Blue)
United Banks of Colorado Inc.	(Black)
Colorado CNB Bankshares Inc.	(Red)
Affiliated Bankshares of Colorado Inc.	(Green)
Western Bancorporation	(Brown)
First Colorado Bancorporation Inc.	(China Red)
Central Colorado Bancorporation	(Pink)
Central Bank & Trust Co. Denver	(Light Green)
First National Bank, Greeley	(Silver)
All other banks over $25 million	(Gold)
All other banks under $25 million	(Yellow)

Commercial Banks in Colorado Year End 1970
(Alphabetical Order)

		Bank	(000) 1970 Deposits
(Pink)	1	Academy Boulevard Bank, Colorado Springs	7,818
	2	Air Academy National Bank, Colorado Springs	8,548
	3	Alameda National Bank, Denver (D)	13,376
	4	Alamosa National Bank, Alamosa	8,209
	5	American Heritage Bank & Trust, Colorado Springs	14,254
	6	American National Bank, Denver (D)	130,872
	7	American State Bank, Granada	2,697
(Green)	8	Arapahoe National Bank, Boulder	6,958
	9	Arvada State Bank, Arvada (D)	10,102
	10	Aurora National Bank, Aurora (D)	16,885
	11	Bank of Aspen, Aspen	12,821
	12	Bank of Burlington, Burlington	6,269
	13	Bank of Colorado, Colorado Springs	2,082
	14	Bank of Denver, Denver (D)	25,037
	15	Bank of Douglas County, Castle Rock	6,601
	16	Bank of Durango, Durango	6,509
	17	Bank of Fairplay, Fairplay	1,883
	18	Bank of Fountain Valley, Security	4,548
(Red)	19	Bank of Glenwood, Glenwood Springs	6,218
	20	Bank of Ignacio, Ignacio	3,314
	21	Bank of Kremmling, Kremmling	4,166
(ABC) (Black)	22	Bank of Manitou, Manitou Springs	3,663
	23	Bank of Rangely, Rangely	1,555
	24	Bank of Telluride, Telluride	1,315
	25	Bank of Vail, Vail	4,106
	26	J. N. Beaty & Co., Manzanola	738
	27	Berthoud National Bank, Berthoud	4,336
	28	Boulder National Bank, Boulder	12,172
	29	Boulevard National Bank, Denver (D)	12,041
	30	Broomfield Bank, Broomfield	6,576
	31	Buena Vista Bank & Trust, Buena Vista	2,624
	32	Burns National Bank, Durango	11,226
	33	Byers State Bank, Byers	2,277
(Green)	34	Cache National Bank, Greeley	7,738
	35	Center State Bank, Denver (D)	7,228
(Green)	36	Central Bank & Trust, Denver (D)	236,938
(Pink)	37	Central Colorado Bank, Colorado Springs	30,545
(Gold)	38	Cherry Creek National, Denver (D)	36,579
	39	Citadel Bank, Colorado Springs	—
	40	Citizens Bank, Pagosa Springs	2,472
	41	Citizens National Bank of Akron, Akron	8,192
	42	Citizens State Bank, Cortez	7,325
	43	Citizens State Bank, Keenesburg	3,456

		Bank	(000) 1970 Deposits
	44	Citizens State Bank, Ouray	3,701
	45	Colfax National Bank, Denver (D)	7,291
	46	Colorado Bank & Trust Co., Delta	12,127
	47	Colorado Bank & Trust Co., La Junta	11,800
	48	Colorado Commercial Bank, Colorado Springs	16,267
(Red)	49	Colorado National Bank, Denver (D)	282,436
(Gold)	50	Colorado Springs National Bank, Colorado Springs	42,415
(Gold)	51	Colorado State Bank, Denver (D)	41,515
	52	Colorado State Bank, Walsh	3,552
	53	Columbine State Bank, Denver (D)	3,154
	54	Commercial Bank, Leadville	7,438
	55	Commercial Savings Bank, Sterling	13,038
(Gold)	56	Continental National Bank, Englewood (D)	36,271
	57	Dolores State Bank, Dolores	4,956
	58	Dove Creek State Bank, Dove Creek	2,232
	59	Eagle Valley Bank, Minturn	——
	60	East Colorado Springs National Bank, Colorado Springs	8,810
	61	Eastern Colorado Bank, Cheyenne Wells	4,965
	62	Eaton Bank, Eaton	5,206
	63	Empire State Bank, Rocky Ford	2,542
	64	Erie Bank, Erie	1,203
	65	Estes Park Bank, Estes Park	4,005
(Gold)	66	Exchange National Bank, Colorado Springs	61,883
(Green)	67	Farmers National Bank of Ault, Ault	6,221
	68	Farmers State Bank of Brush, Brush	8,029
	69	Farmers State Bank of Calhan, Calhan	5,302
	70	Farmers State Bank of Fort Morgan, Fort Morgan	19,473
	71	Farmers State Bank of Yuma, Yuma	7,231
	72	Fidelity Bank & Trust Co., Monte Vista	7,183
	73	First Bank & Trust of Brighton, Brighton	14,861
	74	First Bank & Trust of Holly, Holly	3,415
	75	First National Bank of Alamosa, Alamosa	6,469
	76	First National Bank of Arvada, Arvada (D)	11,540
	77	First National Bank of Aspen, Aspen	3,175
(Blue)	78	First National Bank of Bear Valley, Denver (D)	12,480
(Green)	79	First National Bank of Boulder, Boulder	68,309
	80	First National Bank of Brush, Brush	7,158
	81	First National Bank of Burlington, Burlington	4,911
	82	First National Bank of Canon City, Canon City	15,836
	83	First National Bank of Cedaredge, Cedaredge	2,462
	84	First National Bank of Center, Center	6,266
(Green)	85	First National Bank of Colorado Springs, Colorado Springs	104,210
	86	First National Bank of Cortez, Cortez	11,169
	87	First National Bank of Cripple Creek, Cripple Creek	844
(Blue)	88	First National Bank of Denver, Denver (D)	560,381

		Bank	(000) 1970 Deposits
	89	First National Bank of Durango, Durango	12,656
	90	First National Bank of Eads, Eads	4,697
	91	First National Bank of Eagle, Eagle	4,895
(FCBS)	92	First National Bank of Englewood, Englewood (D)	64,653
(Pink)	93	First National Bank of Estes Park, Estes Park	3,639
	94	First National Bank of Evergreen, Evergreen	8,549
	95	First National Bank of Flagler, Flagler	4,830
	96	First National Bank of Fleming, Fleming	1,882
	97	First National Bank of Florence, Florence	4,386
	98	First National Bank of Fort Collins, Fort Collins	54,404
	99	First National Bank of Fort Morgan, Fort Morgan	9,957
	100	First National Bank of Fowler, Fowler	4,086
(Gold)	101	First National Bank of Glenwood Springs, Glenwood Springs	26,842
	102	First National Bank of Golden, Golden	25,119
(Gold)	103	First National Bank of Grand Junction, Grand Junction	33,420
(Silver)	104	First National Bank of Greeley, Greeley	40,862
	105	First National Bank of Gunnison, Gunnison	6,208
	106	First National Bank of Holyoke, Holyoke	6,354
	107	First National Bank of Hugo, Hugo	5,799
	108	First National Bank of Johnstown, Johnstown	3,984
	109	First National Bank of Julesburg, Julesburg	6,377
(Green)	110	First National Bank of Lafayette, Lafayette	3,904
	111	First National Bank of La Jara, La Jara	4,832
	112	First National Bank of Lamar, Lamar	10,282
	113	First National Bank of Las Animas, Las Animas	5,193
	114	First National Bank of Limon, Limon	5,256
	115	First National Bank of Longmont, Longmont	23,699
(Green)	116	First National Bank of Louisville, Louisville	3,508
(Green)	117	First National Bank of Loveland, Loveland	25,433
	118	First National Bank of Meeker, Meeker	6,456
	119	First National Bank of Montrose, Montrose	15,118
(Blue)	120	First National Bank of Northglenn (D)	9,450
	121	First National Bank of Ordway	1,772
	122	First National Bank of Otis	3,695
	123	First National Bank of Paonia, Paonia	4,433
(Gold)	124	First National Bank of Pueblo, Pueblo	55,670
	125	First National Bank of Rifle	6,747
	126	First National Bank of Salida, Salida	8,297
(Blue)	127	First National Bank of Southglenn, Littleton (D)	7,322
	128	First National Bank of Springfield, Springfield	7,918
	129	First National Bank of Sterling, Sterling	7,436
	130	First National Bank of Strasburg, Strasburg	8,738
	131	First National Bank of Stratton, Stratton	5,029
	132	First National Bank of Trinidad, Trinidad	11,397
	133	First National Bank of Walsenburg, Walsenburg	6,731
	134	First National Bank of Westminster, Westminster (D)	16,869
	135	First National Bank of Windsor, Windsor	5,709
	136	First National Bank of Wray, Wray	10,759

		Bank	(000) 1970 Deposits
	137	First State Bank of Fountain, Fountain	2,099
	138	First State Bank of Hotchkiss, Hotchkiss	4,190
	139	First State Bank of Idaho Springs, Idaho Springs	3,845
	140	First Westland National Bank, Lakewood (D)	18,706
(Green)	141	Fort Carson National Bank, Fort Carson	4,892
	142	Fort Lupton State Bank, Fort Lupton	7,978
	143	Fowler State Bank	3,277
	144	Fremont National Bank of Canon City, Canon City	10,629
	145	Fruita State Bank, Fruita	4,380
	146	Golden State Bank, Golden	8,920
(Green)	147	Greeley National Bank, Greeley	43,735
(Gold)	148	Guaranty Bank & Trust Denver (D)	39,124
	149	Guaranty Bank of Stapleton, Denver (D)	3,296
	150	Gunnison Bank & Trust, Gunnison	5,065
	151	Haxtun Commercial Bank, Haxtun	3,137
	152	Hereford State Bank, Hereford	1,296
	153	Holyoke Bank & Trust Co., Holyoke	1,199
	154	Home State Bank, Loveland	9,633
(Gold)	155	Jefferson County Bank, Lakewood (D)	57,316
	156	Kiowa State Bank, Kiowa	3,280
	157	Kirk State Bank, Kirk	1,784
	158	Kit Carson State Bank, Kit Carson	2,418
	159	La Junta State Bank, La Junta	4,579
(FCBS) (Pink)	160	Lakeside National Bank, Wheatridge (D)	25,092
	161	Lakewood Colorado National Bank, Lakewood (D)	10,012
	162	Littleton National Bank, Littleton (D)	15,572
	163	Longmont National Bank, Longmont	16,420
	164	Mancos State Bank, Mancos	1,542
	165	McClave State Bank, McClave	1,114
	166	Mesa National Bank, Grand Junction	8,279
	167	Metro National Bank, Denver (D)	10,344
	168	Metro State Bank, Commerce City (D)	6,685
	169	Mid-States Bank, Denver (D)	804
	170	Middle Park Bank, Granby	4,800
	171	Midtown National, Pueblo	6,306
	172	Minnequa Bank, Pueblo	23,743
	173	Moffat County State Bank, Craig	13,645
	174	Montbello State Bank, Denver (D)	2,360
	175	Montrose National Bank, Montrose	7,192
(Gold)	176	Mountain States Bank, Denver (D)	32,267
	177	National Bank of Delta, Delta	4,289
(Gold)	178	National City Bank, Denver (D)	29,613
(Gold)	179	National State Bank of Boulder	32,342
(Gold)	180	North Denver Bank, Denver (D)	27,077
	181	North Park State Bank, Walden	2,420

		Bank	(000) 1970 Deposits
	182	North Valley State Bank, Thornton (D)	8,359
(Red)	183	Northeast Colorado National Bank, Denver (D)	10,829
	184	Northern National Bank, Colorado Springs	6,815
	185	Palisades National Bank, Palisade	3,251
	186	Park National Bank, Pueblo	4,168
	187	Park State Bank, Woodland Park	2,234
	188	Peoples Bank & Trust of Aurora, Aurora (D)	23,916
	189	Pikes Peak National, Colorado Springs	8,159
(Gold)	190	Pueblo Bank & Trust, Pueblo	35,809
	191	Republic National Bank, Englewood (D)	7,898
	192	Republic National Bank, Pueblo	11,709
	193	Rio Grande County Bank, Del Norte	2,362
(Pink)	194	Rocky Ford National, Rocky Ford	5,497
	195	Rocky Mountain Bank & Trust Co., Fort Collins	3,514
	196	Routt County National Bank, Steamboat Springs	13,803
	197	Saint Vrain Valley State Bank, Longmont	5,698
	198	San Miguel Basin State Bank, Norwood	4,199
	199	Security Bank of Boulder	3,640
(FCBS)	200	Security National Bank, Denver (D)	29,747
(Pink)	201	Security State Bank, Sterling	24,045
(Red)	202	South Colorado National Bank, Denver (D)	5,545
	203	South Denver National Bank, Denver (D)	9,783
	204	South Platte National Bank, La Salle	3,363
	205	Southwest State Bank, Denver (D)	15,117
	206	State Bank of Greeley, Greeley	2,120
	207	State Bank of Wiley, Wiley	3,267
	208	Summit County Bank, Frisco	2,418
	209	Trinidad National Bank, Trinidad	7,977
	210	Union National Bank, Denver (D)	28,955
	211	United Bank of Aurora, Aurora (D)	14,606
	212	United Bank of Boulder, Boulder	25,549
	213	United Bank of Denver, Denver (D)	485,442
	214	United Bank of Fort Collins, Fort Collins	40,189
	215	United Bank of Greeley, Greeley	27,370
	216	United Bank of Littletown, Littletown (D)	16,826
	217	United Bank of Pueblo, Pueblo	19,541
	218	U. S. Bank of Grand Junction, Grand Junction	28,460
	219	University National Bank, Denver (D)	27,434
	220	University National Bank Fort Collins	6,847
	221	Valley State Bank, Lamar	5,236
(United)	222	Villa National, Denver (D)	7,568
	223	West Greeley National Bank, Greeley	3,557
	224	West National Bank, Denver (D)	7,071
	225	Western National Bank, Colorado Springs	7,018

226	Westlake First National Bank, Loveland	3,718
227	Wheatridge National Bank, Wheatridge (D)	2,401
228	Yampa Valley State Bank, Hayden	1,695

Source: *American Bank Directory*, Fall, 1970; *Polk's*, March, 1971; *Moody's Bank & Finance Manual*; Colorado Bankers Association

TABLE

Commercial Banks in Colorado by Order of Cities
1950-1970 Deposits (000)

	Akron: Citizens Natl Bk.	Alamosa: Alamosa Natl Bk.	Alamosa: First Natl Bk.	Arvada: Arvada State Bank	Arvada: First Natl Bk.	Aspen: Bank of Aspen	Aspen: First N
1950	3,777	4,465	3,295		3,768	576	
1951	4,373	5,138	3,769		4,066	716	
1952	4,508	4,983	3,820		4,518	863	
1953	4,454	4,489	3,658		4,885	943	
1954	4,937	4,688	4,360		5,216	1,083	
1955	4,909	4,655	4,165		5,285	1,162	
1956	4,133	5,081	3,784		5,676	1,425	
1957	4,369	5,502	3,784		5,752	1,506	
1958	4,973	5,619	3,806		6,383	1,651	
1959	4,851	5,641	3,613		6,598	1,791	
1960	4,864	5,424	3,951		7,067		
1961	4,883	5,520	3,683		7,889	2,446	
1962	5,950	5,956	4,063	2,356	7,790	3,299	
1963	6,092	6,462	3,752	3,035	7,954	4,165	
1964	5,888	7,110	3,967	4,476	8,521	5,860	
1965	6,028	7,115	4,122	4,698	8,644	6,973	
1966	6,123	6,319	4,323	4,790	8,576	6,050	
1967	6,670	6,917	4,933	5,664	8,825	8,085	
1968	7,400	7,105	5,284	6,891	9,340	10,612	
1969	7,783	7,840	6,604	8,551	10,964	13,935	
1970	8,192	8,209	6,469	10,102	11,540	12,821	3,175

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TABLE

Commercial Banks in Colorado by Order of Cities
1950-1970 Deposits (000)

tl Bk.	Alamosa: Alamosa Natl Bk.	Alamosa: First Natl Bk.	Arvada: Arvada State Bank	Arvada: First Natl Bk.	Aspen: Bank of Aspen	Aspen: First Natl Bk.	Ault: Farmers Natl Bk.
	4,465	3,295		3,768	576		2,725
	5,138	3,769		4,066	716		3,024
	4,983	3,820		4,518	863		2,751
	4,489	3,658		4,885	943		3,072
	4,688	4,360		5,216	1,083		2,996
	4,655	4,165		5,285	1,162		2,847
	5,081	3,784		5,676	1,425		2,917
	5,502	3,784		5,752	1,506		3,326
	5,619	3,806		6,383	1,651		3,589
	5,641	3,613		6,598	1,791		3,501
	5,424	3,951		7,067			2,053
	5,520	3,683		7,889	2,446		3,548
	5,956	4,063	2,356	7,790	3,299		3,871
	6,462	3,752	3,035	7,954	4,165		4,035
	7,110	3,967	4,476	8,521	5,860		3,665
	7,115	4,122	4,698	8,644	6,973		4,102
	6,319	4,323	4,790	8,576	6,050		4,193
	6,917	4,933	5,664	8,825	8,085		4,580
	7,105	5,284	6,891	9,340	10,612		5,383
	7,840	6,604	8,551	10,964	13,935		5,931
	8,209	6,469	10,102	11,540	12,821	3,175	6,221

	Aurora: Aurora Natl Bk.	Aurora: United Bank of	Aurora: Peoples Bk & Tr.	Berthoud: Berthoud Natl Bk.	Boulder: Arapahoe Natl Bk.	Boulder: Bldr Natl Bk.	Boulder: First Natl Bk.	Boulder: United Banl
1950								
1951		4,721		1,613				
1952		5,860		1,668			7,194	3,240
1953		6,484		1,797			8,524	3,787
1954		6,732		1,702			10,106	4,119
		7,332		1,799			10,401	4,176
1955		7,366					11,620	4,741
1956		7,712		1,677				
1957		6,668		1,711			12,775	5,118
1958		7,153	1,108	1,730			12,261	5,589
1959		6,871	2,599	1,738			13,260	6,934
			3,423	1,738			15,006	7,374
1960		6,935					16,449	8,070
1961		7,981	5,948	2,013	486			
1962		7,967	7,556	2,339	1,749		20,507	8,821
1963	1,808	7,947	8,759	2,975	2,575		21,158	9,649
1964	4,217	9,046	9,315	3,733	3,097		26,038	14,127
			9,518	2,700	3,172	1,875	28,941	15,353
1965	5,881	9,174					30,096	14,709
1966	6,086	9,281	10,645	3,000	3,724	3,211	35,525	17,207
1967	9,049	10,475	12,271	2,800	4,164	5,071	40,457	17,489
1968	10,955	10,815	14,098	3,096	4,624	6,870	48,285	17,975
1969	13,098	11,882	17,746	3,415	5,900	9,057	58,670	22,275
			19,030	3,733	6,268	10,931	58,609	24,230
1970	16,885	14,606	23,916	4,336	6,958	12,172	68,309	25,549

	Boulder: Natl State Bk.	Boulder: Security Bank	Brighton: First Bank & Tr.	Brighton: Brighton Natl Bk.	Broomfield: Broomfield Bank	Brush: Farmers State Bk.	Brush: First Natl Bank
1950	8,216		3,642			2,538	2,941
1951	9,013		4,327			3,251	3,069
1952	10,889		4,974			3,714	3,687
1953	10,474		4,643			3,096	3,853
1954	10,711		5,247			3,719	4,078
1955	11,683		5,516			3,704	3,932
1956	11,847		5,253			3,380	3,948
1957	12,646		4,168			3,842	3,988
1958	13,877		6,764		562	4,022	4,607
1959	14,854		7,277		1,069	3,678	4,367
1960	15,560	273	7,357		1,209	3,884	4,516
1961	16,203	285	8,195		1,901	4,354	4,653
1962	20,138	2,008	8,824		2,159	4,811	4,733
1963	19,878	2,602	9,185	2,615	2,463	5,169	5,013
1964	21,926	1,951	9,098		2,571	4,806	5,208
1965	23,825	2,160	10,043		2,871	5,211	5,250
1966	25,874	2,432	11,505		3,204	5,507	5,086
1967	26,498	3,000	13,766		3,764	6,760	5,536
1968	27,635	2,387	12,743		4,563	6,556	6,258
1969	28,667	3,472	3,087		5,728	7,290	7,005
1970	32,342	3,640	14,861		6,576	8,029	7,158

	Buena Vista: Buena Vista Bk & Tr	Burlington: Bank of	Burlington: First Natl Bk.	Byers: Byers State Bank	Calhan: Farmers State Bk.	Canon City: First Natl Bk.	Canon City: Fremont Natl Bk.
1950							
1951		3,262		435	1,958	5,695	3,278
1952		3,076		572	2,128	6,090	3,019
1953		3,343		656	2,178	6,368	3,249
1954		3,160		600	2,058	6,600	3,106
		3,106		718	2,044	6,522	3,377
1955							
1956		2,483		620	2,135	7,273	
1957		2,598		845	2,133	6,985	3,653
1958		2,568		755	2,307	7,536	3,797
1959		3,228		1,028	2,524	7,946	4,236
		3,199		805	2,943	8,136	4,354
1960							4,478
1961		3,528		946			
1962		3,309		949	2,857	7,703	4,652
1963	537	3,759		1,214	2,967	8,102	4,741
1964	888	3,945	409	989	3,246	8,289	4,946
		3,937	1,366	950	3,044	8,505	5,367
1965	1,207				3,314	9,512	5,176
1966	1,000	3,667	1,890	996			
1967	1,436	4,370	2,648	1,239	3,548	10,326	5,365
1968	1,559	4,654	2,739	1,280	3,552	9,994	5,939
1969	1,963	5,386	3,278	1,896	3,750	11,409	7,021
		5,787	3,545	2,035	4,280	13,220	8,196
1970	2,624				4,719	14,841	9,363
		6,269	4,911	2,277	5,302	15,836	10,629

	Castle Rock: Bank of Douglas Co.	Cedaredge: First Natl Bk.	Center: First Natl Bk.	Cheyenne Wells: Eastern Colo Bk.	Colorado Springs: Academy Blvd Bank	Colorado Springs: Air Academy Natl Bk	Colorado Springs: Amer Heritage Bk & Tr
1950	1,506	813	1,772	1,903			
1951	1,645	775	1,981	1,402			
1952	1,695	1,024	2,186	1,951			
1953	1 642	1,048	1,806	1,702			
1954	1,812	1,199	1,586	1,643			
1955	1,907	1,054	1,598	1,401			
1956	2,104	1,197	1,728	1,413			
1957	2,181	958	1.775	1,533			
1958	2,554	1,227	1,832	2,078			
1959	2,552	1,277	1,916	2,190			933
1960	2,792	1,108	2,212	2,627			2,125
1961	2,985	1,333	2,006	2,434			3,361
1962	3,120	1,401	1,882	2,704			5,032
1963	3,232	1,415	2,061	2,827			5,417
1964	3,455	1,312	2,290	2,579			5,515
1965	3,660	1,334	2,468	2,899			5,440
1966	3,616	1,541	3,323	2,934	1,202		6,183
1967	3,868	1,790	3,204	3,441	2,393	4,458	10,142
1968	4,211	2,116	3,063	3,680	4,154	6,127	14,229
1969	5,302	2,158	3,849	4,196	5,036	6,612	13,740
1970	6,601	2,462	6,266	4,965	7,818	8,548	14,254

	Colorado Springs: Bank of Colorado	Colorado Springs: Central Colo Bank	Colorado Springs: Colo Commercial Bk	Colorado Springs: Colo Spgs Natl Bk	Colorado Springs: E. Colo Spgs Natl Bk	Colorado Springs: Exchange Natl Bk.
1950			6,636	12,415		18,217
1951			7,188	12,747		22,296
1952			7,061	16,266		21,787
1953		1,692	7,187	16,648		19,799
1954		2,745	8,227	19,362		22,842
1955		3,386	8,837	21,971		26,757
1956		3,699	8,974	21,835		25,198
1957		3,949	8,055	21,571		25,524
1958		5,854	8,891	24,006		30,012
1959		6,393	8,314	21,587		30,319
1960		5,994	8,143	20,869		28,597
1961		7,826	8,532	22,465		30,128
1962		9,923	9,582	24,806		33,703
1963		10,040	9,165	27,326		36,905
1964		10,877	9,404	28,215	631	39,799
1965		11,809	10,359	27,823	1,894	41,503
1966		11,442	11,081	27,519	2,736	41,264
1967		15,370	12,866	33,449	3,615	50,189
1968		18,187	14,905	35,726	5,476	51,753
1969	707	22,896	14,081	36,085	6,563	50,040
1970	2,082	30,545	16,267	42,415	8,810	61,883

	Colorado Springs: First Natl Bank	Colorado Springs: Northern Natl Bk.	Colorado Springs: Pikes Peak Natl	Colorado Springs: Western Natl Bank	Colorado Springs: Citadel Bank	Commerce City: Metro State Bank
1930	32,434					603
1931	35,002					1,204
1932	36,210					1,700
1933	37,512					1,700
1934	40,330					2,710
1935	41,552					3,178
1936	43,739					3,391
1937	43,764		834			3,341
1938	50,231		1,885			4,012
1939	48,752		2,237			4,309
1940	50,528		2,344			4,321
1941	60,041		2,900			4,702
1942	63,536		3,724			5,098
1943	69,013	1,134	4,429			4,709
1944	75,370	2,741	5,094	888		5,004
1945	75,936	3,379	5,484	1,856		4,904
1946	76,339	4,026	5,347	2,462		5,189
1947	86,135	5,621	6,490	3,619		5,102
1948	92,628	5,929	7,038	4,399		5,599
1949	93,192	5,909	7,403	5,356		6,264
1970	104,210	6,815	8,159	7,018		6,685

	Cortez: Citizens State Bank	Cortez: First Natl Bk	Craig: Moffat Co State Bk	Cripple Creek: First Natl Bk	Del Norte: Rio Grande Co Bk	Delta: Colo Bk & Tr Co.
1950	3,063					
1951	3,313		3,646	1,319	1,060	4,093
1952	3,513		4,188	1,461	1,179	4,105
1953	3,863		4,467	1,275	1,126	4,454
1954	4,566		4,421	1,490	1,198	4,417
1955	4,545		4,498	1,707	1,213	5,359
1956	5,272		4,684	1,629	1,276	3,358
1957	7,313		4,946	1,727	1,323	5,815
1958	7,327	5,635	5,345	1,758	1,418	5,760
1959	6,548	5,102	5,810	1,658	1,543	6,025
1960	5,598	4,804	5,743	1,519	1,448	6,255
1961	4,515	6,230	5,679	1,459	1,419	6,358
1962	5,379	6,408	5,936	1,301	1,482	6,649
1963	6,143	7,151	6,982	1,139	1,329	7,283
1964	5,700	6,988	7,427	916	1,812	7,894
1965	6,062	7,765	7,444	1,045	1,843	7,854
1966	6,601	8,734	7,328	1,062	2,161	7,797
1967	6,460	9,223	8,071	1,112	2,034	8,508
1968	6,990	9,270	9,471	1,098	2,226	9,073
1969	7,131	10,223	10,129	990	2,358	10,174
1970	7,325	11,169	10,432	960	2,417	10,831
			13,645	844	2,362	12,127

	Delta: Natl Bank of Delta	Denver: Alameda Natl Bank	Denver: Amer Natl Bk	Denver: Bank of Denver	Denver: Blvd Natl Bank	Denver: Center State Bank
1950			43,172	2,643		
1951			45,296	2,900		
1952			48,675	3,252		
1953			49,373	3,382		
1954			51,776	5,234		
1955			52,276	6,250		
1956			51,839	6,746		
1957			52,714	7,229		
1958			60,638	10,403		
1959			58,692	16,779		
1960			59,855	16,721		
1961			66,875	17,939		2,268
1962		536	75,512	20,093		4,107
1963		3,037	83,495	18,784	1,142	5,012
1964	1,109	5,031	90,921	19,755	2,605	3,139
1965	1,637	5,931	97,749	21,106	3,957	3,601
1966	2,195	6,910	101,[illegible]9	18,139	4,816	3,943
1967	2,764	9,253	118,834	18,233	6,188	4,668
1968	3,368	12,413	123,554	19,260	8,996	6,098
1969	3,967	12,863	130,873	20,240	10,261	6,753
1970	4,289	13,376	130,872	25,037	12,041	7,228

	Denver: Central Bk & Tr	Denver: Cherry Creek Natl	Denver: Colfax Natl Bank	Denver: Colo Natl Bank	Denver: Colo State Bank	Denver: Columbine State Bk
1950	57,916			104,179	14,076	
1951	69,234			113,635	16,262	
1952	79,600			117,330	18,599	
1953	83,190	1,425		116,379	19,558	
1954	91,186	3,775		125,781	21,080	
1955	95,683	5,541		134,164	21,835	
1956	93,935	6,547		134,521	21,463	
1957	102,435	7,716		137,537	20,954	
1958	116,305	9,656		140,976	22,701	
1959	124,706	11,420		147,474	23,616	
1960	123,537	13,188		163,106	23,491	
1961	142,870	15,158		179,113	24,186	
1962	154,459	18,738	1,985	193,352	26,534	
1963	154,463	21,363	3,942	201,515	28,121	
1964	163,245	22,732	3,[illegible]6	209,714	30,411	
1965	160,616	24,258	4,003	216,503	31,093	
1966	171,536	26,472	3,752	229,196	31,015	
1967	200,225	28,229	4,931	254,646	36,348	
1968	216,616	31,925	6,369	281,220	42,443	
1969	209,624	33,031	7,689	283,687	43,388	
1970	236,938	36,579	7,291	282,436	41,515	3,154

	Denver: United Bank of	Denver: First Natl Bk Bear Valley	Denver: First Natl Bank	Denver: Guaranty Bk & Tr	Denver: Guaranty Bk of Stapleton	Denver: Metro Natl Bank
1950	196,511		234,392			
1951	199,992		251,524			
1952	214,848		260,385			
1953	216,383		256,100			
1954	241,334		267,896			
1955	247,587		264,692	4,048		
1956	251,210		271,226	13,151		
1957	250,890		274,297	17,621		
1958	275,867		294,062	20,789		
1959	258,423		299,338	25,162		
1960	275,674		318,989	27,463		
1961	429,962		347,242	31,363		
1962	320,852		376,771	35,402		
1963	349,414		374,563	33,204		
1964	349,152	1,145	404,406	36,595		257
1965	385,926	2,434	427,416	37,959		2,032
1966	389,322	3,722	441,270	37,274	1,026	5,297
1967	432,739	5,692	509,736	38,404	2,048	4,174
1968	487,805	7,912	550,439	40,209	3,090	5,529
1969	473,836	9,680	507,340	37,880	3,401	6,521
1970	485,442	12,480	560,381	39,124	3,296	10,344

	Denver: Mid-States Bank	Denver: Montbello State Bk	Denver: Mtn States Bank	Denver: Natl City Bk	Denver: No Denver Bank	Denver: NE Colo Natl Bk	Denver: Sec Natl Bk
1950							
1951			7,497	7,343			
1952			8,652	8,191	931		
1953			9,979	9,848	4,926		
1954			10,559	9,607	6,965		
			11,699	10,775	8,584		
1955							
1956			13,167	11,066	10,722		
1957			13,642	11,501	13,025		
1958			13,801	11,790	13,337		
1959			15,475	14,468	15,715		
			15,625	15,350	18,475		
1960							
1961			16,011	16,727	18,490		
1962			17,284	17,687	20,808		
1963			18,874	18,525	23,237		
1964			20,930	19,231	24,140	1,071	4,179
			20,952	19,616	23,186	2,670	7,957
1965							
1966			23,177	20,811	23,242	3,709	10,582
1967			22,964	21,582	24,208	4,794	19,085
1968			25,640	24,834	27,233	5,831	25,430
1969	314	1,723	29,029	27,887	29,941	6,999	37,418
			28,929	27,454	32,543	8,709	42,581
1970	804	2,360	32,267	29,613	27,077	10,829	29,747

	Denver: So Colo Natl Bk	Denver: So Denver Natl Bk	Denver: Southwest State Bk	Denver: Union Natl Bk	Denver: Univ Natl Bank	Denver: Villa Natl	Denver: West Natl Bank
1950				9,002			
1951				10,369			
1952				12,185			
1953				12,500			
1954				13,417			
1955				13,548			
1956				13,704	2,030		
1957				14,576	3,739		
1958				15,133	4,559		
1959				16,656	5,517		
1960				17,520	7,045		
1961			2,985	18,088	8,019		
1962			5,333	19,098	10,055		
1963		1,428	5,380	19,888	11,112	4,007	606
1964	1,211	2,412	5,523	20,529	12,665	4,676	2,191
1965	2,167	3,627	5,999	21,174	15,000	2,727	2,366
1966	3,547	5,157	6,580	21,863	18,076	1,664	2,634
1967	4,757	5,384	8,180	23,800	21,758	3,684	3,126
1968	5,443	7,090	10,891	26,469	26,061	5,042	4,508
1969	5,177	8,303	12,203	26,334	25,224	6,550	5,237
1970	5,545	9,783	15,117	28,955	27,434	7,568	7,071

	Dolores: Dolores State Bank	Dolores: J.J. Harris & Co	Dove Creek: Dove Creek State Bank	Durango: Bank of Durango	Durango: Burns Natl Bank	Durango: First Natl Bank
1950		2,662	858		4,479	6,144
1951		2,863	800		5,332	6,674
1952		3,008	915		5,325	7,125
1953		3,291	996		5,804	7,505
1954		3,790	1,396		6,592	7,670
1955		3,725	2,235		6,976	8,316
1956		3,893	2,116		8,125	8,193
1957		4,360	3,344		8,325	8,992
1958			3,026		8,341	8,458
1959	1,307		3,026		8,106	8,315
1960	1,563		2,787		8,221	8,523
1961	1,756		2,666		8,964	8,782
1962	2,058		1,737		9,272	9,228
1963	2,293		1,816		9,265	8,658
1964	2,501		1,969		8,545	8,223
1965	2,830		1,446		8,677	7,855
1966	2,942		1,400		8,533	8,198
1967	3,151		1,609		9,269	9,125
1968	3,631		1,755	2,800	10,314	10,584
1969	3,790		1,773	5,682	10,971	11,041
1970	4,956		2,232	6,509	11,226	12,656

	Eads: First Natl Bank	Eagle: First Natl Bank	Eaton: Eaton Bank	Englewood: Cont Natl Bk	Englewood: First Natl Bk	Englewood: Republic Natl Bk	Erie: Erie Bank	Estes Park: Estes Park Bank
1950	2,340	1,857	2,011		10,727		1,015	1,198
1951	2,340	2,125	2,139	2,501	10,589		1,116	1,180
1952	2,641	2,019	2,247	4,830	12,722		1,121	1,420
1953	2,240	1,932	2,480	6,515	14,216		1,169	1,434
1954	2,228	1,886	2,617	8,321	17,538		1,193	1,628
1955	2,228	1,945	2,342	10,882	19,563		1,148	1,657
1956	1,843	2,003	2,432	11,412	20,151		1,225	1,570
1957	1,903	1,873	2,635	12,494	23,712		1,301	1,646
1958	2,138	1,912	2,900	13,753	25,413		1,347	2,010
1959	2,275	1,771	2,975	13,869	27,898		1,198	1,853
1960	2,221	1,833	3,250	14,765	29,733		1,204	1,901
1961	2,496	2,090	3,434	16,114	31,686		1,316	1,951
1962	3,210	2,150	3,547	17,306	36,333		1,043	2,078
1963	3,335	2,287	3,747	17,910	36,786		1,673	2,327
1964	3,724	2,571	3,699	18,416	40,475		919	2,625
1965	2,804	2,915	3,652	19,396	40,353	1,667	861	2,465
1966	3,048	3,065	3,713	20,833	42,928	2,021	987	2,634
1967	3,328	3,144	4,288	24,060	46,105	2,773	898	2,895
1968	3,861	3,074	5,075	29,648	50,401	5,016	1,012	3,742
1969	4,273	3,709	5,291	31,055	52,695	6,161	1,089	3,492
1970	4,697	4,895	5,206	36,271	64,653	7,898	1,203	4,005

	Estes Park: First Natl Bank	Evergreen: First National Bank	Fairplay: Bank of Fairplay	Flagler: First Natl Bank	Fleming: First Natl Bank	Florence: First Natl Bank	Ft. Carson Ft. Carson Natl Bk
1950							
1951			791	2,410	1,917	2,689	
1952			742	2,308	2,209	2,919	
1953			766	2,515	2,378	2,729	
1954			772	2,523	2,295	2,633	
1955			647	2,371	2,327	2,585	
1956			715	2,034	2,105	2,470	
1957			731	2,069	2,067	2,602	
1958			734	2,261	2,194	2,487	
1959		700	675	2,442	2,393	2,615	
1960			721	2,554	2,668	2,683	
1961		1,326	671	2,729	2,633	2,606	
1962		1,761	635	2,716	2,769	2,413	
1963		2,190	663	2,972	2,912	2,857	
1964		2,648	629	2,786	2,408	2,934	
1965	913	3,183	668	3,171	2,366	3,031	
1966	1,297	3,497	800	3,095	2,394	2,971	
1967	2,181	879	879	3,321	2,351	3,158	
1968	2,186	5,103	1,182	3,418	2,054	3,391	1,754
1969	3,277	5,650	1,333	3,530	1,872	3,565	3,357
1970	3,639	6,665	2,098	3,645	1,720	4,104	3,850
		8,549	1,883	4,830	1,882	4,386	4,892

	Ft. Collins: First Natl Bank	Ft. Collins: United Bank of	Ft. Collins: Rocky Mtn Bk & Tr Co.	Ft. Collins: Univ Natl Bk	Ft. Lupton: Ft. Lupton State Bk	Ft. Morgan: Farmers State Bk	Ft. Morgan: First National Bank
1950	7,996	8,789			2,293	6,158	2,687
1951	8,736	8,943			2,515	6,562	2,233
1952	9,595	9,271			3,059	7,440	2,338
1953	9,347	9,747			3,086	7,751	2,682
1954	9,666	10,074			3,204	9,163	3,323
1955	9,634	9,867			3,103	8,432	3,323
1956	9,871	10,166			3,279	8,527	3,516
1957	11,803	11,292			3,247	8,175	3,700
1958	12,505	12,647			3,601	10,116	3,458
1959	14,428	13,654			3,981	10,132	3,803
1960	12,870	13,594			4,152	10,808	4,058
1961	13,985	14,012			4,346	10,697	4,353
1962	18,337	16,168		85	4,896	11,681	4,852
1963	22,345	17,342	671	579	5,027	11,737	5,288
1964	22,837	18,366	1,949	1,155	4,817	12,390	5,314
1965	27,782	19,876	3,252	1,778	5,081	13,728	5,644
1966	34,542	22,515	3,186	2,361	5,694	14,112	6,075
1967	45,216	26,368	3,181	3,758	6,147	15,349	6,744
1968	49,022	29,774	2,820	4,553	7,375	17,052	8,004
1969	50,239	30,521	2,578	5,298	7,765	17,957	8,403
1970	54,404	40,189	3,514	6,847	7,978	19.473	9,957

	Fountain: First State Bank	Fowler: First Natl Bank	Fowler: Fowler State Bank	Frisco: Summit County Bank	Fruita: Fruita State Bank	Glenwood Springs: Bank of Glenwood
1950		1,334	1,289		1,009	
1951		1,210	1,396		1,137	
1952		1,316	1,472		1,114	
1953		1,400	1,539		1,204	
1954		1,554	1,571		1,335	
1955		1,639	1,570		1,607	
1956		1,547	1,698		1,750	
1957		1,542	1,804		1,841	
1958		1,518	1,845		1,682	
1959		1,528	1,661		2,086	
1960		1,554	1,891		2,107	
1961		1,869	1,851		2,103	
1962		1,851	2,013		2,541	
1963		2,280	2,093		3,569	1,490
1964		2,501	2,168		2,852	2,269
1965		2,794	2,296		3,594	2,965
1966		2,906	2,241		3,534	2,943
1967		3,131	2,370		3,768	4,402
1968	958	3,577	2,775	1,046	3,892	5,587
1969	1,321	3,874	3,118	1,896	4,116	5,745
1970	2,099	4,086	3,277	2,418	4,380	6,218

	Glenwood Springs: First National Bank	Golden: First Natl Bank	Golden: Golden State Bank	Granada: Amer State Bank	Granby: Middle Park Bank	Grand Junction: First Natl Bank	Grand Junction: Mesa Natl Bank
1950	8,461	4,151					
1951	9,401	4,276		1,026	333	9,955	
1952	8,399	4,273		978	837	10,989	
1953	9,377	4,494		1,196	1,112	11,955	
1954	9,542	5,532		1,109	1,145	12,549	
1955	9,810	5,866		1,178	1,444	16,499	
1956	10,279	6,440		1,124	1,582	18,300	
1957	10,144	6,961		1,194	1,721	19,597	
1958	11,572	7,716		1,272	1,548	18,527	
1959	12,214	8,337		1,208	1,534	19,467	
1960	13,079	9,547		1,390	2,052	19,066	
1961	14,284	10,653		1,392	1,955	19,629	
1962	13,983	11,621	1,814	1,531	1,803	20,717	
1963	14,416	12,228	2,624	1,713	1,996	19,369	
1964	16,659	13,333	2,785	1,835	2,106	20,306	
1965	18,087	14,857	2,893	1,830	2,212	21,714	1,655
1966	19,166	14,245	3,676	1,794	2,704	22,419	3,174
1967	22,874	16,139	4,902	1,905	2,512	23,457	4,292
1968	23,159	18,453	6,630	2,260	2,712	27,265	5,268
1969	25,144	20,810	6,632	2,335	3,131	31,528	6,804
1970	26,842	25,119	8,920	2,509	3,438	30,640	7,394
				2,697	4,800	33,420	8,279

	Grand Junction: U.S. Bank of Grand Junction	Greeley: Cache Natl Bank	Greeley: First Natl Bank	Greeley: Greeley Natl Bank	Greeley: State Bank of	Greeley: United Bank of	Greeley: W. Greeley Natl Bank
1950	9,349		15,084	10,092		5,100	
1951	9,908		15,913	12,742		5,221	
1952	10,255		17,275	13,766		5,905	
1953	12,019		17,297	14,674		6,169	
1954	13,777		16,172	14,754		6,928	
1955	13,533		16,930	13,205		7,042	
1956	13,568		17,001	14,883		7,549	
1957	15,276		17,009	17,613		9,257	
1958	16,311		20,605	19,300		9,939	
1959	16,004		19,240	18,813		10,605	
1960	16,993		20,632	19,372		11,266	
1961	16,545		21,440	22,133		12,413	
1962	17,618	1,406	25,961	26,745		14,936	
1963	18,987	2,221	27,472	27,808		16,083	311
1964	19,339	2,431	28,711	27,992		16,085	800
1965	20,648	3,116	30,545	31,067	1,209	16,694	1,333
1966	21,857	3,981	32,332	33,169	1,507	18,260	1,915
1967	24,599	4,791	35,783	34,676	1,820	19,276	2,520
1968	26,663	5,823	36,943	40,616	2,147	23,104	2,770
1969	26,137	6,719	40,263	41,619	2,136	24,109	3,066
1970	28,460	7,738	40,862	43,733	2,120	27,370	3,557

	Gunnison: First Natl Bank	Gunnison: Gunnison Bk & Tr	Haxtun: Haxtun Comm Bank	Hayden: Yampa Valley State Bk	Hereford: Hereford State Bk	Holly: First Bk & Tr	Holyoke: First Natl Bank
1930	2,086	1,727	1,394		460	1,587	4,223
1931	2,263	1,808	1,736		545	1,566	4,596
1932	2,172	1,602	1,776		695	1,772	5,209
1933	2,255	1,521	1,842		789	1,739	4,738
1934	2,192	1,508	1,959		687	1,632	4,258
1935	2,037	1,606	1,587		620	1,560	3,930
1936	2,109	1,652	1,608		690	1,711	4,011
1937	2,236	1,668	1,639		743	1,873	3,500
1938	2,548	1,956	1,800		939	1,857	4,207
1939	2,462	2,053	1,632		915	2,057	3,380
1940	2,762	2,175	1,527		905	2,343	3,277
1941	3,066	2,499	1,792		966	2,406	3,921
1942	3,558	2,783	2,028		1,267	2,568	3,951
1943	4,161	3,457	1,600		1,030	2,521	3,989
1944	4,934	3,262	1,573		1,011	2,587	3,891
1945	5,041	3,200	1,621		1,166	2,775	4,061
1946	4,411	3,260	1,781		1,303	2,755	4,814
1947	4,474	3,741	2,045	492	1,222	2,851	4,851
1948	5,025	3,860	2,429	1,092	1,259	3,003	5,347
1949	5,558	4,380	2,853	1,512	1,279	3,184	5,915
1950	6,208	5,065	3,137	1,695	1,296	3,415	6,354

	Holyoke: Holyoke Bk & Tr Co.	Hotchkiss: First State Bank	Hugo: First Natl Bank	Idaho Springs: First State Bank	Ignacio: Bank of Ignacio	Johnstown: First National Bank	Julesburg: First Natl Bank
1950		1,464	3,465	570	643	1,654	4,013
1951		1,614	3,436	603	790	1,555	3,907
1952		1,520	3,723	694	775	1,883	4,538
1953		1,398	3,529	645	843	1,993	4,772
1954		1,760	3,4.4	734	898	1,968	4,931
1955		1,633	3,037	741	944	1,901	4,550
1956		1,736	3,120	778	1,095	2,109	4,442
1957		1,941	3,086	838	1,061	1,979	4,428
1958		1,970	3,496	790	1,052	2,140	4,740
1959		2,168	3,428	671	1,166	2,099	4,731
1960		2,336	3,285	727	1,182	2,359	4,574
1961		2,412	3,437	652	1,070	1,599	4,492
1962		2,541	4,036	646	1,374	2,473	4,861
1963	698	2,574	3,755	966	1,687	2,677	4,639
1964	586	2,745	3,817	1,667	2,255	2,753	4,952
1965	748	2,863	3,789	1,870	2,252	2,851	4,393
1966	900	2,970	4,074	2,069	2,329	2,948	5,288
1967	1,033	3,138	4,808	2,508	2,708	3,019	5,299
1968	1,295	3,339	5,161	3,312	3,044	3,566	5,474
1969	1,336	3,924	5,371	3,513	3,193	3,596	5,865
1970	1,199	4,190	5,799	3,845	3,314	3,984	6,377

	Keenesburg: Citizens State Bank	Kiowa: Kiowa State Bank	Kirk: Kirk State Bank	Kit Carson: Kit Carson State Bank	Kremmling: Bank of Kremmling	Lafayette: First Natl Bank	La Jara: First Natl Bank
1950	783	1,325	929	1,219	2,124		698
1951	922	1,431	912	1,161	2,500		2,287
1952	1,198	1,461	982	1,281	2,640		2,135
1953	1,379	1,445	911	1,210	2,263	606	1,915
1954	1,544	1,356	901	1,265	2,315	998	2,697
1955	1,522	1,222	789	1,303	2,195	1,436	2,243
1956	1,495	1,276	990	1,253	2,384	1,436	2,214
1957	1,698	1,455	1,157	1,322	2,546	1,353	2,456
1958	1,779	1,655	1,223	1,430	2,756	1,560	2,538
1959	1,862	1,670	1,248	1,571	2,848	1,484	2,487
1960	1,938	1,697	1,391	1,588	2,840	1,608	2,580
1961	1,947	1,779	1,441	1,675	2,800	1,440	2,433
1962	2,059	1,933	1,436	1,602	2,643	1,554	2,829
1963	2,193	1,763	1,328	1,755	3,106	1,599	3,673
1964	2,768	1,970	1,480	1,111	2,906	1,598	3,318
1965	2,252	2,139	1,309	1,725	2,918	1,775	3,771
1966	2,519	1,899	1,509	1,753	2,995	1,869	3,719
1967	2,650	1,999	1,394	2,009	3,329	2,304	3,630
1968	3,060	2,124	1,432	2,239	3,366	2,551	3,692
1969	3,091	2,851	1,570	2,049	3,745	3,076	4,132
1970	3,456	3,280	1,784	2,418	4,166	3,904	4,832

	La Junta: Colo Bank & Tr Co.	La Junta: La Junta State Bank	Lakewood: First Westland Natl Bk	Lakewood: Jefferson Co Bank	Lakewood: Lakewood Colo Natl Bank	Lamar: First Natl Bank
1950	6,078	2,325		4,952		6,815
1951	6,333	2,192		7,933		7,352
1952	6,720	2,286		10,224		6,817
1953	6,592	2,085		10,546		6,439
1954	6,099	2,189		12,979		6,881
1955	6,142	2,433		15,688		5,606
1956	6,315	2,777		16,526	595	5,469
1957	6,604	3,074		16,879	2,143	5,471
1958	7,331	2,953		19,773	4,384	5,132
1959	7,710	3,031		21,576	5,735	5,408
1960	7,693	2,782		22,495	6,568	5,325
1961	7,475	2,724		24,595	7,209	5,417
1962	8,741	3,542		29,042	6,654	6,598
1963	8,953	3,386	2,360	30,279	7,412	6,280
1964	9,221	3,424	3,743	31,797	6,514	6,976
1965	9,134	3,387	5,658	33,815	6,802	7,510
1966	9,065	3,933	9,494	33,660	6,858	7,091
1967	9,941	3,873	13,870	36,870	6,483	7,921
1968	11,445	4,350	15,938	44,382	6,329	8,855
1969	10,424	4,874	16,958	46,735	6,419	9,535
1970	11,800	4,579	18,706	57,316	10,012	10,282

	Lamar: Valley State Bank	La Salle: So Platte Natl Bank	Las Animas: First Natl Bank	Leadville: Commercial Bank	Limon: First Natl Bank	Littleton: United Bank of	Littleton: First Natl Bk of Southglenn
1950	1,794		2,988	1,585	2,943		
1951	1,611		2,840	2,048	2,993		
1952	1,746		3,239	2,932	3,295		
1953	1,649		3,310	2,648	3,240		
1954	1,746		3,182	3,004	3,374		
1955	1,704		3,229	3,035	2,967		
1956	1,594		3,249	3,236	3,067		
1957	1,732		3,340	3,518	3,344		
1958	1,922		3,596	3,147	3,469	2,403	
1959	1,879		3,381	3,118	3,313	3,515	
1960	1,997		3,264	3,761	3,798	4,254	
1961	2,017		3,293	3,682	3,246	5,341	
1962	1,990		4,051	3,567	3,745	6,290	
1963	2,140		4,197	4,077	3,665	7,228	
1964	1,417	879	4,404	4,219	3,522	8,155	378
1965	2,144	1,209	4,255	4,764	3,795	9,787	1,284
1966	2,977	1,627	4,584	4,912	4,195	11,412	2,047
1967	3,730	2,052	4,379	5,162	4,371	12,212	2,848
1968	4,166	2,865	4,567	5,768	4,516	13,078	3,856
1969	4,844	2,953	4,979	6,398	4,810	14,242	4,773
1970	5,286	3,363	5,193	7,438	5,256	16,826	7,322

	Littleton: Littleton Natl Bank	Longmont: First Natl Bank	Longmont: Longmont Natl Bank	Longmont: St Vrain Valley State Bk	Louisville: First Natl Bk	Loveland: First Natl Bk	Loveland: Home State Bank
1950	4,390	8,474	5,221				
1951	4,826	9,000	5,806		580	6,290	1,134
1952	5,604	9,696	6,368		673	7,180	1,581
1953	5,773	9,365	6,638		800	7,148	2,467
1954	7,770	9,981	6,042		1,052	7,258	2,568
					1,045	6,807	3,280
1955	7,322	9,562	6,050		1,394	6,938	3,185
1956	7,426	9,782	6,326		1,423	7,425	3,355
1957	8,063	10,455	6,561		1,545	7,793	3,499
1958	9,553	11,346	7,409		1,749	8,770	4,153
1959	9,946	11,118	7,572		1,678	9,067	4,524
1960	11,041	11,834	8,138		1,699	9,465	4,654
1961	10,657	11,957	8,322		1,721	12,113	5,306
1962	11,646	13,919	10,078		1,992	14,335	6,848
1963	11,934	13,826	10,354		2,136	14,471	6,629
1964	12,426	14,562	10,675	595	2,232	12,853	6,211
1965	12,758	14,919	10,495	1,469	2,315	14,451	6,615
1966	11,985	16,298	12,244	2,177	2,443	16,765	7,320
1967	12,275	17,880	13,249	3,075	2,588	18,778	8,084
1968	14,418	19,939	14,528	3,897	2,663	21,132	8,987
1969	14,347	20,526	15,024	4,386	3,185	23,428	9,857
1970	15,572	23,699	16,420	5,698	3,508	25,433	9,633

	Loveland: Westlake First Natl Bk	Manassa: Colonial State Bk	Mancos: Mancos State Bk	Manitou Springs: Bank of Manitou	Manzanola: J.N. Beaty & Co	McClave: McClave State Bank	Meeker: First Natl Bank
1950		312		1,958	826	489	2,435
1951		372		2,298	758	595	3,588
1952		289		2,273	920	577	3,554
1953		265		2,137	888	610	4,353
1954				2,406	829	595	4,485
1955				2,391	767	600	3,207
1956				2,209	798	670	3,133
1957				2,074	761	578	3,361
1958				2,048	899	700	3,513
1959				1,858	893	652	3,822
1960				1,740	698	715	4,080
1961				1,729	646	645	3,970
1962				1,874	738	679	4,113
1963				1,971	709	686	4,363
1964			530	1,954	663	802	4,397
1965	833		830	1,702	667	815	4,660
1966	1,214		882	1,708	770	860	4,808
1967	1,630		1,211	1,854	717	910	5,240
1968	2,232		1,305	2,247	718	1,014	5,571
1969	3,228		1,477	3,020	802	1,095	5,615
1970	3,718		1,542	3,663	738	1,114	6,456

	Minturn: Eagle Valley Bank	Monte Vista: Fidelity Bk & Tr Co	Montrose: First Natl Bk	Montrose: Montrose Natl Bk	Northglenn: First Natl Bk	Norwood: San Miguel Basin State Bk	Ordway: First Natl Bk
1950		2,868	5,906	1,704		450	2,014
1951		3,101	6,111	1,891		583	1,938
1952		3,087	6,137	1,885		678	2,201
1953		2,674	6,279	1,991		922	2,014
1954		2,386	6,897	2,642		1,243	1,859
1955		2,562	7,011	2,431		1,159	1,700
1956		2,601	6,427	2,436		1,357	1,707
1957		2,973	7,550	2,678		1,283	1,741
1958		3,019	6,758	2,811		1,331	1,822
1959		3,124	7,055	2,937		1,539	1,832
1960		3,213	7,176	3,106		1,736	1,979
1961		3,121	7,360	3,525		1,847	1,736
1962		3,665	7,828	3,242		2,000	1,894
1963		4,361	10,085	4,058	737	2,139	1,969
1964		4,369	9,385	4,393	2,064	2,101	1,979
1965		4,509	10,083	4,399	2,868	2,305	1,622
1966		4,902	10,274	5,341	4,046	2,579	1,719
1967		5,667	11,616	7,381	5,194	2,976	1,602
1968		6,387	13,244	6,031	6,969	3,747	1,560
1969		6,540	13,804	6,150	7,990	3,650	1,904
1970		7,188	15,118	7,192	9,450	4,199	1,772

	Otis: First Natl Bank	Ouray: Citizens State Bk	Pagosa Springs: Citizens Bank	Palisade: Palisades Natl Bk	Paonia: First Natl Bk	Pueblo: United Bank of	Pueblo: First Natl Bk	Pueblo: Midtown Natl
1950	1,757	1,271	957	2,318	1,473	1,648	38,374	
1951	1,937	1,563	1,156	2,207	1,502	4,169	35,939	
1952	2,019	1,894	885	2,003	1,619	5,541	37,736	
1953	2,247	2,042	808	2,143	1,580	5,960	39,9[illegible]	
1954	2,326	2,080	917	2,261	1,713	6,190	43,770	
1955	1,904	2,187	994	2,445	1,727	7,699	46,071	
1956	1,916	2,255	1,005	2,293	1,796	8,000	42,705	
1957	2,015	2,196	1,092	2,462	1,733	8,089	41,820	
1958	2,194	2,323	1,331	2,342	1,802	7,858	51,283	
1959	1,956	2,407	1,252	2,576	2,014	8,608	48,603	
1960	2,032	2,691	1,260	2,474	2,043	9,702	45,013	
1961	2,199	2,682	1,295	2,309	2,068	11,646	46,331	
1962	2,341	3,098	1,340	2,440	2,376	12,021	51,477	
1963	2,342	3,024	1,649	2,311	2,409	13,661	50,872	
1964	2,483	3,177	1,522	2,172	2,601	14,228	53,375	
1965	2,371	3,056	1,623	2,438	2,714	14,368	53,852	676
1966	2,681	3,224	1,519	2,327	2,960	13,[illegible]	48,001	1,008
1967	2,916	3,231	1,845	2,693	3,402	[illegible]	53,[illegible]55	1,[illegible]19
1968	3,375	3,544	2,019	3,010	3,778	[illegible]	[illegible],381	2,143
1969	3,620	3,356	2,198	3,158	4,086	15,458	53,541	2,802
1970	3,695	3,701	2,472	3,251	4,433	19,541	55,670	6,306

	Pueblo: Minnequa Bank	Pueblo: Park Natl Bk	Pueblo: Pueblo Bk & Tr	Pueblo: Republic Natl Bk	Rangely: Bank of Rangely	Rifle: First Natl Bk	Rocky Ford: Empire State Bk	Rocky Ford: Rocky Ford Natl
1950	7,247		14,578			1,717	769	3,209
1951	8,701		15,344			2,067	1,050	3,213
1952	10,090		17,096			2,034	1,406	3,568
1953	11,274		16,771			2,204	1,219	3,370
1954	12,313		17,643			2,306	1,222	3,184
1955	12,831		18,468			2,631	1,251	3,087
1956	13,910		19,458			2,913	1,330	3,260
1957	14,972		20,552			3,019	1,467	3,063
1958	14,885		19,892			3,059	1,384	3,432
1959	15,815		20,374			3,012	1,472	3,641
1960	15,816		20,539			3,320	1,508	3,424
1961	16,899		20,560			3,195	1,537	3,636
1962	17,534	614	22,441	1,092		3,367	1,587	3,765
1963	18,273	1,635	23,169	2,299	924	3,760	1,743	3,754
1964	19,883	1,787	24,990	3,815	1,566	4,580	1,628	4,186
1965	19,194	1,950	24,818	4,097	1,362	4,675	1,712	3,706
1966	19,869	2,542	24,012	4,526	1,335	5,028	1,483	3,610
1967	19,704	2,707	26,252	5,938	1,438	5,373	1,640	4,259
1968	21,054	3,510	28,237	9,026	1,718	5,751	1,766	4,643
1969	21,402	3,555	29,206	9,714	2,436	5,973	2,189	4,499
1970	23,743	4,168	35,809	11,709	1,555	6,747	2,542	5,497

	Saguache: Saguache Co Natl Bk	Salida: First Natl Bk	Security: Bank of Fountain Valley	Springfield: First Natl Bk	Steamboat Springs: Routt Co Natl Bank	Sterling: Comm Svgs Bk	Sterling: First Natl Bank
1950	1,225	2,665		3,843	5,047	6,549	
1951	1,224	3,121		3,864	5,626	6,317	
1952	1,085	3,024		3,371	5,745	7,021	
1953	971	2,757		3,174	5,434	6,813	
1954	966	2,788		3,054	5,425	6,570	
1955	1,082	2,788		3,167	5,761	6,164	
1956	1,217	2,970		3,209	6,002	5,981	
1957	1,114	3,259		3,397	5,904	6,423	
1958	1,073	3,370		4,064	6,221	6,569	
1959	1,000	3,259		3,957	6,251	6,576	
1960	899	3,340		4,112	6,216	6,729	
1961	784	3,547		4,327	6,471	6,544	
1962	1,019	4,068		4,777	6,832	7,306	681
1963	1,153	4,083	1,107	4,580	7,378	7,137	2,740
1964	843	4,469	1,046	4,463	8,062	6,999	3,133
1965	764	4,823	2,076	4,855	8,398	8,045	3,700
1966		5,250	2,122	4,921	8,155	8,148	4,612
1967		5,875	2,744	5,859	9,224	9,584	6,145
1968		7,174	3,428	6,153	10,850	10,092	7,743
1969		7,096	3,670	6,807	12,543	11,068	7,176
1970		8,297	4,548	7,918	13,803	13,038	7,436

	Sterling: Security State Bk	Strasburg: First Natl Bk	Stratton: First Natl Bk	Telluride: Bank of Telluride	Thornton: No Valley State Bk	Trinidad: First National Bank	Trinidad: Trinidad National Bank
1950	7,300	3,030	2,295				
1951	8,284	3,071	2,052			8,992	3,677
1952	8,846	3,769	2,557			9,211	4,248
1953	9,662	3,885	2,587			8,894	4,111
1954	10,290	3,877	2,100			8,489	4,354
1955	9,595	3,430	1,633			8,526	4,215
1956	9,747	3,485	1,670			8,418	4,482
1957	9,921	3,948	1,805			8,722	4,269
1958	11,584	4,723	2,547			8,894	4,900
1959	11,528	4,838	2,571			9,597	4,569
1960	11,366	5,131	2,663			9,759	4,410
1961	11,806	6,008	2,338			9,286	4,951
1962	13,528	5,811	2,624			9,392	5,388
1963	13,784	5,983	2,945		1,741	9,716	6,332
1964	13,853	5,816	3,092		2,288	9,716	6,253
1965	15,264	6,280	3,317			9,063	5,794
1966	16,301	6,566	3,367		3,263	8,908	5,910
1967	18,369	6,917	3,494		3,568	9,476	5,753
1968	19,862	7,437	4,310		4,339	9,794	6,056
1969	22,707	7,888	4,699	820	5,318	9,542	6,608
1970	24,045	8,738	5,029	1,315	6,338	9,977	7,121
					8,359	11,397	7,977

	Vail: Bank of Vail	Walden: No Park State Bank	Walsenburg: First Natl Bk	Walsh: Colo State Bk	Westminster: First Natl Bk	Wheatridge: Lakeside Natl Bk	Wheatridge: Wheatridge Natl Bk	Wiley: State Bank of
1950			4,465	2,076				888
1951			4,530	2,233				919
1952			4,042	1,833				1,220
1953			3,618	1,701				1,100
1954			3,695	1,604				1,118
1955		773	3,628	1,762				1,047
1956		1,104	3,757	1,638				1,119
1957		1,283	4,222	1,679				1,207
1958		1,269	3,707	1,905				1,207
1959		1,280	3,947	1,978	2,607	2,446		1,264
1960		1,169	3,643	2,119	4,274	3,858		475
1961		1,033	3,607	2,083	5,869	5,685		1,260
1962		1,389	3,643	2,413	7,166	6,586		1,635
1963		1,754	3,690	2,589	7,293	6,963		1,682
1964		1,400	3,427	2,361	9,126	8,537		2,153
1965		1,430	3,546	2,192	9,182	9,531		1,737
1966		1,585	4,239	2,902	10,360	13,830		2,002
1967		1,918	4,459	2,876	11,195	17,274		2,091
1968	1,967	2,127	5,310	3,354	13,173	19,241		2,305
1969	3,476	2,331	5,419	3,234	15,346	21,357	394	2,830
1970	4,106	2,420	6,731	3,552	16,869	25,092	2,401	3,267

	Windsor: First National Bank	Woodland Park: Park State Bank	Wray: First National Bank	Yuma: Farmers State Bank
1950	1,913			
1951	2,030		5,280	3,014
1952	2,219		5,928	3,332
1953	2,383		6,707	3,369
1954	2,510		6,392	3,616
1955	2,226		6,538	4,104
1956	2,285		5,559	3,084
1957	2,571		5,304	2,953
1958	2,730		5,366	3,492
1959	2,775		6,043	3,892
1960	2,711		5,760	3,821
1961	2,745		5,528	3,821
1962	3,004		5,480	4,025
1963	2,815		7,092	4,090
1964	3,124		7,326	3,756
1965	3,586	473	6,918	3,841
1966	3,813	833	7,529	4,509
1967	4,074	1,094	7,442	5,067
1968	4,994	1,444	8,043	5,515
1969	5,441	1,645	9,096	6,174
1970	5,709	2,234	9,262 10,759	6,810 7,231

Sources: Mountain States Bankers Yearbook, 1950 - 1968;
Polks World Bank Directory, March 1970;
Colorado Bankers Association

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TABLE

Colorado Bank Holding Company

Subsidiary Structure, year end 1970

Joined Holding Company		Bank Organized	Deposits Year-end 1970 (000)	
	FIRST NATIONAL BANCORPORATION			
1968	First National Bank of Southglenn Littleton	1964	7,322	DN
1968	First National Bank of Bear Valley Denver	1964	12,480	DN
1968	First National Bank of Denver	1860	560,381	P
1968	First National Bank North Glenn	1963	9,450	DN
		Total	589,633	
	First National Bank Greeley (Weld)	1884	40,862	(A)
		Total	630,495	
	UNITED BANKS OF COLORADO INC. (DENVER U.S. BANCORP)			
1964	First Bank of Aurora (Arapahoe)	1943	14,606	A
1966	Mercantile Bank & Trust Co. Boulder	1904	25,549	A
1964	Denver United States National Bank Denver	1884	485,442	P
1965	Weld County Bank Greeley	1889	27,370	A
1964	Arapahoe Valley Bank Littleton	1958	16,826	A
1970	Villa National Bank Denver	1966	7,568	A
1969	Poudre Valley National Bank Fort Collins	1878	40,189	A
1969	Arkansas Valley Bank Pueblo	1950	19,541	A
1971	Mesa National Bank of Grand Junction	1964	8,279	A
		Total	645,370	
	COLORADO CNB BANKSHARES INC.			
1968	Colorado National Bank of Denver	1862	282,436	P
1968	Northeast Colorado National Bank of Denver	1963	10,829	DN
1968	South Colorado National Bank Denver	1964	5,545	DN
1969	Lakewood Colorado National Bank	1969	10,012	B
1970	Bank of Glenwood	1963	6,218	A
		Total	315,040	
	AFFILIATED BANKSHARES OF COLORADO INC.			
1970	First National Bank Boulder	1934	68,309	A
1970	Arapahoe National Bank Boulder	1960	6,958	DN
1970	First National Bank Lafayette Boulder	1953	3,904	A
1970	First National Bank Louisville Boulder	1915	3,508	A
		Subtotal	82,679	
1970	Greeley National Bank Weld	1934	43,735	A
1970	Cache National Bank Weld	1962	7,738	DN
1970	West Greeley National Bank Weld	1963	3,557	DN
1970	Farmers National Bank of Ault Weld	1906	6,221	A
		Subtotal	61,251	
1970	First National Bank Loveland Larimer	1932	25,433	A
1970	Westlake National Bank Loveland (Larimer)	1964	3,718	DN
		Subtotal	29,151	

Joined Holding Company		Bank Organized	Deposits Year-end 1970 (000)	
1970	First National Bank Colorado Springs	1874	104,210	P
1970	Bank of Manitou (Manitou Springs)	1907	3,663	A
1970	Fort Carson National Bank	1967	4,892	DN
		Subtotal	112,765	
		Total	285,846	
	WESTERN BANCORPORATION			
1956	American National Bank Denver	1905	130,872	A
1956	Continental National Bank Englewood	1951	36,271	A
1956	First National Bank in Fort Collins	1934	54,404	A
		Total	221,547	
	FIRST COLORADO BANKSHARES			
1963	Security National Bank Denver	1963	29,747	DN
1962	University National Bank Denver	1956	27,434	DN
1962	First National Bank of Englewood	1910	64,653	P
1962	Lakside National Bank Wheat Ridge	1959	25,092	DN
		Total	146,926	
	CENTRAL COLORADO BANCORPORATION INC.			
1970	Rocky Ford National Bank	1908	5,497	A
1970	Central Colorado Bank Colorado Springs	1953	30,545	P
1970	Academy Boulevard Bank Colorado Springs	1966	7,818	A
		Total	43,860	

Keys: DN—De Novo
R—Reserve
A—Required
P—Principal Bank

Source: American Bank Directory—Fall 1970; *Polk's*—March 1971 Edition; *Moody's Bank & Finance Manual.*

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TABLE

Population and Percentage Increase Colorado and United States 1860-1970

Population

Year	United States	% Increase	Colorado	% Increase
1860	31,443,321		34,277	
1870	38,558,371	22.6	39,864	16.2
1880	50,155,783	30.1	194,327	387.4
1890	62,947,714	25.6	413,249	112.7
1900	75,994,575	20.8	539,700	30.6
1910	91,972,266	20.0	799,024	48.0
1920	105,710,620	14.9	939,629	17.6
1930	122,775,046	16.1	1,035,791	10.2
1940	131,669,275	7.2	1,123,296	8.4
1950	150,697,361	14.4	1,325,089	17.9
1960	179,323,175	18.9	1,753,947	32.3
1970	203,184,772	13.3	2,207,259	25.8

Source: U. S. Department of Commerce, Bureau of the Census.

TABLE

POPULATION COLORADO COUNTIES CENSUS
YEARS 1940-1970

Counties:	Population			
Rocky Mountain Front	1940	1950	1960	1970
Adams [1]	22,481	40,234	120,296	185,789
Arapahoe [1]	32,150	52,125	113,426	162,143
Boulder	37,438	48,296	74,254	131,889
El Paso	54,025	74,523	143,742	235,972
Jefferson [1]	30,725	55,687	127,520	233,031
Larimer	35,539	43,554	53,343	89,900
Pueblo	68,870	90,188	118,707	118,238
Weld	63,747	67,504	72,344	89,297
Subtotal	344,975	472,111	823,632	1,246,259
	1940	1950	1960	1970
Denver	322,412	415,786	493,887	514,678
Rest of the State	1940	1950	1960	1970
Alamosa	10,484	10,531	10,000	11,422
Archuleta	3,806	3,030	2,629	2,733
Baca	6,207	7,964	6,310	5,674
Bent	9,653	8,775	7,419	6,493
Chaffee	8,109	7,168	8,298	10,162
Cheyenne	2,964	3,453	2,789	2,396
Clear-Creek	3,784	3,289	2,793	4,819
Conejos	11,648	10,171	8,428	7,846
Costilla	7,533	6,067	4,219	3,091
Crowley	5,398	5,222	3,978	3,086
Custer	2,270	1,573	1,305	1,120
Delta	16,470	17,365	15,602	15,286
Dolores	1,958	1,966	2,196	1,641
Douglas	3,496	3,507	4,816	8,407
Eagle	5,361	4,488	4,677	7,498
Elbert	5,460	4,477	3,708	3,903
Fremont	19,742	18,336	20,196	21,942
Garfield	10,560	11,625	12,017	14,821
Gilpin	1,625	850	685	1,273
Grand	3,587	3,963	3,557	4,107
Gunnison	6,192	5,716	5,477	7,578
Hinsdale	349	263	208	202
Huerfano	16,088	10,549	7,867	6,590
Jackson	1,798	1,976	1,758	1,811
Kiowa	2,793	3,003	2,425	2,029
Kit Carson	7,512	8,600	6,957	7,530
Lake	6,883	6,150	7,150	8,282
La Plata	15,494	14,880	19,225	19,199

[1] Parts of county were annexed to Denver between 1941 and 1949.

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Population Colorado Counties Census
Years 1940-1970

Rest of the State	1940	1950	1960	1970
Las Animas	32,369	25,902	19,983	15,744
Lincoln	5,882	5,909	5,310	4,836
Logan	18,370	17,187	20,302	18,852
Mesa	33,791	38,974	50,715	54,374
Mineral	975	698	424	786
Moffat	5,086	5,946	7,061	6,525
Montezuma	10,463	9,991	14,024	12,952
Montrose	15,418	15,220	18,286	18,366
Morgan	17,214	18,074	21,192	20,105
Otero	23,571	25,275	24,128	23,523
Ouray	2,089	2,103	1,601	1,546
Park	3,272	1,870	1,822	2,185
Phillips	4,948	4,924	4,440	4,131
Pitkin	1,836	1,646	2,381	6,185
Prowers	12,304	14,836	13,296	13,258
Rio Blanco	2,943	4,719	5,150	5,852
Rio Grande	12,404	12,832	11,160	10,494
Routt	10,525	8,940	5,900	6,592
Saguache	6,173	5,664	4,473	3,827
San Juan	1,439	1,471	849	831
San Miguel	3,664	2,693	2,944	1,949
Sedgewick	5,294	5,095	4,242	3,405
Summit	1,754	1,135	2,073	2,665
Teller	6,463	2,754	2,495	3,316
Washington	8,336	7,520	6,625	5,550
Yuma	12,102	10,827	8,912	8,544
Subtotal	455,909	437,192	436,428	446,322
TOTAL	1,123,296	1,325,089	1,753,947	2,207,259

Absolute Growth

	1940-1970	1940-1950	1950-1960	1960-1970
State	1,083,963	201,793	428,858	453,312
	(96.5%)	(18.0%)	(32.4%)	(25.8%)
Rocky Mountain Front	901,284	127,136	351,521	422,627
	(261.3%)	(36.9%)	(74.5%)	(51.3%)
Weld County	25,550	3,757	4,840	16,953
	(40.0%)	(5.9%)	(7.2%)	(23.4%)
Denver	192,266	93,374	78,101	20,791
	(59.6%)	(29.0%)	(18.8%)	(4.2%)
Rest of State	−9,587	−18,717	−764	9,894
	(−2.1%)	(−4.1%)	(−0.2%)	(2.3%)

Source: U. S. Department of Commerce, Bureau of the Census.

TABLE 6

Population Centers in Colorado By Size Category

50,000 or Larger

City	County	Population 1940	1950	1960	1970
Aurora *	Adams/Arapahoe	3,437	11,421	48,548	74,974
Boulder	Boulder	12,958	19,999	37,718	66,870
Colorado Springs	El Paso	36,789	45,472	70,194	135,060
Denver	Denver	322,412	415,786	493,887	514,678
Lakewood *	Jefferson	----	----	----	92,787
Pueblo	Pueblo	52,162	63,685	91,181	97,543

25,000 to 50,000

City	County	1940	1950	1960	1970
Arvada *	Adams/Jefferson	----	----	19,242	46,814
Englewood*	Arapahoe	9,680	16,869	33,398	33,695
Fort Collins	Larimer	12,251	14,937	25,027	43,337
Greeley	Weld	15,995	20,354	26,314	38,902
Littleton*	Arapahoe	2,244	3,378	13,670	26,466
North Glenn*	Adams	----	----	----	27,937
Wheatridge*	Jefferson	----	----	----	29,795

TABLE 6 (cont'd.)

15,000 to 25,000

City	County	Population			
		1940	1950	1960	1970
Commerce City*	Adams	----	----	8,970	17,407
Fort Carson	El Paso	----	----	----	19,399
Grand Junction	Mesa	12,479	14,504	18,694	20,170
Littleton Southeast*	Arapahoe	----	----	----	22,899
Longmont	Boulder	7,406	8,099	11,489	23,209
Security-Widefield	El Paso	----	----	----	15,297
Sherrellwood*	Adams	----	----	----	18,868
Westminster*	Adams	----	----	13,850	19,432
Loveland	Larimer	6,145	6,773	9,734	16,220

10,000 to 15,000

City	County	Population			
		1940	1950	1960	1970
Derby *	Adams	946	4,010	10,124	10,206
Durango	La Plata	5,887	7,459	10,530	10,333
Sterling	Logan	7,411	7,534	10,751	10,636
Thornton*	Adams	----	----	11,353	13,326

TABLE 6 (cont'd.)

5,000 to 10,000

City	County	Population			
		1940	1950	1960	1970
Alamosa	Alamosa	5,613	5,354	6,205	6,985
Applewood *	Jefferson	----	----	----	8,214
Brighton	Adams	4,029	4,336	7,055	8,309
Broomfield *	Boulder/Jefferson	----	----	----	7,261
Canon City	Fremont	6,690	6,345	8,973	9,206
Cortez	Montezuma	1,778	2,680	6,764	6,032
Fort Morgan	Morgan	4,884	5,315	7,379	7,594
Golden *	Jefferson	3,175	5,238	7,118	9,817
La Junta	Otero	7,040	7,712	8,026	7,938
Lamar	Prowers	4,445	6,829	7,369	7,797
Montrose	Montrose	4,764	4,964	5,044	6,496
Orchard Mesa	Mesa	----	----	4,956	5,824
Stratton Meadows	El Paso	----	----	----	6,223
Trinidad	Las Animas	13,223	12,204	10,691	9,901
Welby*	Adams	----	----	----	6,875
Westminster East *	Adams	----	----	----	7,567

* Suburb of Denver (within ten miles).

TABLE

UNIVERSITY OF NORTHERN COLORADO - GREELEY

	Fall Quarter:			
	1940	1950	1960	1970
Resident Student Body	1,401	2,174	4,234	10,547
Faculty	101	133	259	546

SOURCE: Frank P. Lakin
Vice President for Academic Affairs

100 LARGEST BANKS IN AGRICULTURAL LOANS

By Size of Loans to Farmers

Compiled by AMERICAN BANKER Copyright, 1970

Rank 6/30/70	Bank	Agricultural Loans: Total Loans(a) 6/30/70	Agricultural Loans: On Real Estate(b) 6/30/70	Agricultural Loans: Other Loans(c) 6/30/70	Total Loans 6/30/69	Total Deposits 6/30/70
1	Bank of America NT&SA, San Francisco	$349,500,000	$77,200,000	$[illegible]	$[illegible]	$[illegible]
2	Valley National Bank of Arizona, Phoenix	150,833,598	2,070,572	148,762,726	[illegible]	[illegible]
3	Security Pacific National Bank, Los Angeles	153,018,161	11,742,593	141,316,570	147,938,628	[illegible]
4	Wells Fargo Bank N.A., San Francisco	101,624,868	17,948,756	83,676,112	110,264,703	[illegible]
5	Crocker-Citizens National Bank, San Francisco	84,487,976	20,433,593	64,054,383	87,341,723	[illegible]
6	United California Bank, Los Angeles	78,516,616	10,413,211	68,139,405	101,359,475	[illegible]
7	First National Bank of Oregon, Portland	74,079,693	3,977,335	70,031,723	89,344,108	[illegible]
8	Seattle-First National Bank, Washington	74,021,937	3,203,429	70,748,618	70,603,596	[illegible]
9	Idaho First National Bank, Boise	57,634,335	2,927,551	55,506,924	53,960,891	[illegible]
10	National Bank of Commerce, Seattle	53,175,441	3,420,055	49,754,796	49,853,134	[illegible]
11	United States National Bank of Oregon, Portland	53,390,562	8,202,326	45,569,236	55,314,371	[illegible]
12	First National Bank of Arizona, Phoenix	49,325,570	4,429,293	44,953,276	46,004,234	[illegible]
13	United States National Bank, San Diego, Calif.	39,825,510	37,983,485	2,732,025	77,379,647	[illegible]
14	Omaha National Bank, Neb.	37,758,443	37,710	37,720,733	60,201,842	[illegible]
15	First National Bank of Denver, Colo.	37,527,079	10,033	37,517,046	59,919,539	[illegible]
16	Old National Bank of Washington, Spokane	37,492,906	5,913,626	31,579,280	38,710,662	[illegible]
17	First Security Bank of Idaho NA, Boise	30,319,208	1,539,251	28,779,957	32,832,787	[illegible]
18	National Bank of South Dakota, Sioux Falls	26,271,411	929,440	25,341,971	29,597,348	[illegible]
19	First National Bank of Amarillo, Tex.	25,121,724	1,232,234	23,889,490	26,503,089	[illegible]
20	United Bank of Denver NA, Colo.	24,316,320	63,223	24,253,097	28,966,943	[illegible]
21	Bank of California, San Francisco	23,589,926	11,934,732	11,654,324	16,389,573	[illegible]
22	Northwestern Bank, North Wilkesboro, N. C.	23,482,959	10,439,468	13,043,491	20,434,858	[illegible]
23	First National Bank of Aberdeen, S. D.	23,318,206	393,864	22,924,341	18,444,831	[illegible]
24	First National Bank & Trust Co., Lincoln, Neb.	22,847,345	283,657	22,563,688	20,394,884	[illegible]
25	Northwestern National Bank, Sioux Falls, S. D.	22,155,455	682,148	21,532,310	13,[illegible],843	[illegible]
26	First-Citizens Bank & Trust Co., Smithfield, N. C.	21,700,285	9,276,592	12,423,694	[illegible]	[illegible]
27	First National Bank & Trust Co., Kalamazoo, Mich.	20,055,122	11,510,376	8,544,747	21,284,137	[illegible]
28	First Security Bank of Utah NA, Ogden	19,797,674	2,319,294	17,478,380	23,093,511	[illegible]
29	Virginia National Bank, Norfolk	19,668,206	8,117,251	11,550,954	15,753,547	[illegible]
30	First Western Bank & Trust Co., Los Angeles	19,053,371	3,840,166	15,213,205	23,663,317	[illegible]
31	Monticello State Bank, Iowa	18,215,233	6,404,221	11,811,012	16,903,629	[illegible]
32	Pacific National Bank of Washington, Seattle	16,153,811	2,462,637	13,691,174	15,551,476	[illegible]
33	Bank of Idaho, Boise	16,076,218	612,191	15,463,825	17,462,783	[illegible]
34	Maryland National Bank, Baltimore	15,310,274	12,119,113	3,191,161	13,631,351	[illegible]
35	First National Bank, Dallas	15,066,637	3,127,641	11,938,996	[illegible]	[illegible]
36	Branch Banking & Trust Co., Wilson, N. C.	14,768,136	4,329,604	10,438,532	13,281,068	[illegible]
37	Peoples National Bank, Seattle	14,661,911	216,273	14,445,638	17,343,715	[illegible]
38	American National Bank of St. Joseph, Mo.	13,354,196	2,403,148	10,951,048	12,500,202	[illegible]
39	First National Bank of the Black Hills, Rapid City, S. D.	13,352,518	37,610	13,314,908	12,672,630	[illegible]
[illegible]	[illegible]	13,301,033	2,890,751	10,481,282	14,268,527	[illegible]
41	Colorado National Bank, Denver	13,112,870	1,008,504	12,104,374	[illegible]	[illegible]
42	Peoples Bank & Trust Co., Rocky Mount, N. C.	12,898,722	3,334,320	9,564,402	11,519,688	[illegible]
43	First National Bank, Wichita, Kan.	12,701,648	622,960	12,078,688	13,160,853	[illegible]
44	Wachovia Bank & Trust Co. NA, Winston-Salem, N. C.	12,620,642	2,983,269	9,857,398	12,381,684	[illegible]
45	Watsaman Bank & Trust Co., Whiteville, N. C.	12,351,314	3,006,371	7,344,943	17,016,267	[illegible]
46	Fidelity National Bank, Lynchburg, Va.	12,268,258	4,454,414	7,847,182	12,452,552	[illegible]
47	Farmers & Mechanics National Bank, Frederick, Md.	12,191,730	8,333,670	3,858,060	12,137,258	[illegible]
48	National Bank of Commerce Trust & SA, Lincoln, Neb.	12,168,895	472,853	11,696,042	10,078,588	[illegible]
49	Clovis National Bank, N. M.	11,908,537	839,268	11,121,171	10,773,378	[illegible]
50	Idaho Bank of Commerce, Rexburg	11,350,062	258,945	11,591,117	10,906,612	[illegible]
51	Commerce Bank, Kansas City, Mo.	11,824,291	4,643,163	7,182,128	12,644,198	[illegible]
52	Northwestern National Bank of Sioux City, Iowa	11,713,925	2,264,488	11,449,437	10,332,834	[illegible]
53	First Victoria National Bank, Texas	11,640,527	3,868,254	8,598,272	11,256,773	[illegible]
54	United States National Bank, Omaha, Neb.	11,358,613	174,568	11,136,044	13,569,058	[illegible]
55	Farmers & Merchants Bank of Central Calif., Lodi	11,229,473	2,501,845	8,420,426	10,782,629	[illegible]
56	First-Wichita National Bank, Wichita Falls, Texas	11,206,026	1,478,614	9,727,422	13,867,471	[illegible]
57	Fort Worth National Bank, Texas	11,166,161	876,762	10,169,429	13,718,587	[illegible]
58	First National Bank of Greeley, Colo.	11,128,624	320,548	10,608,376	11,828,033	[illegible]
59	Central Valley National Bank, Oakland, Calif.	11,098,550	3,821,312	7,194,238	12,757,268	[illegible]
60	Arizona Bank, Phoenix	11,049,258	345,557	10,703,701	14,179,423	[illegible]
61	Southern Arizona Bank & Trust Co., Tucson	11,043,595	37,520	11,006,395	9,738,488	[illegible]
62	Toy National Bank of Sioux City, Iowa	10,927,673	1,620,284	9,316,389	11,381,241	[illegible]
63	First National Exchange Bank, Roanoke, Va.	10,847,272	5,121,278	5,725,994	11,105,238	[illegible]
64	Security National Bank, Kansas City, Kan.	10,839,000	818,000	10,237,000	8,871,574	[illegible]
65	State Bank of Albany, N. Y.	10,330,447	7,402,359	2,928,088	12,165,884	[illegible]
66	State National Bank, Decatur, Ala.	10,262,267	4,210,554	6,315,613	8,863,732	[illegible]
67	Walker Bank & Trust Co., Salt Lake City, Utah	10,241,525	241,510	9,200,025	[illegible]	[illegible]
68	Amarillo National Bank, Texas	10,242,668	28,017	10,214,651	10,368,232	[illegible]
69	Central National Bank, Chicago	10,231,351	681,710	9,539,641	12,554,009	[illegible]
70	First Union National Bank, Charlotte, N. C.	10,168,669	3,512,781	6,675,918	10,813,448	[illegible]
71	First Wisconsin National Bank, Milwaukee	9,846,828	[illegible]	9,246,828	8,983,377	[illegible]
72	First National Bank of Grand Island, Neb.	9,813,508	268,488	9,545,198	8,560,882	[illegible]
73	Twin Falls Bank & Trust Co., Idaho	9,732,839	340,767	9,392,072	7,547,051	[illegible]
74	First National Bank, Joliet, Ill.	9,636,851	1,536,479	8,100,372	8,078,441	[illegible]
75	Bank of Stockton, Calif.	9,598,000	5,132,000	4,466,000	9,120,604	[illegible]
76	Northwestern National Bank, Omaha	9,535,529	22,357	9,513,172	8,671,327	[illegible]
77	Greeley National Bank, Colo.	9,527,843	146,333	9,381,510	10,668,342	[illegible]
78	Morgan Guaranty Trust Co., New York	9,483,602	[illegible]	9,483,602	11,776,241	[illegible]
79	Guaranty State Bank, Alliance, Neb.	9,113,132	540,537	8,572,595	8,498,823	[illegible]
80	Southern National Bank, Lumberton, N. C.	9,035,428	3,100,342	5,935,086	10,021,401	[illegible]
81	Livestock National Bank, Kansas City, Mo.	9,030,803	97,430	8,933,373	8,400,553	[illegible]
82	Bank of Tokyo of California, San Francisco	8,911,850	6,556,472	2,355,378	9,341,825	[illegible]
83	First National Bank, Reno, Nev.	8,798,514	115,598	8,682,916	8,100,913	[illegible]
84	Security State Bank, Sterling, Colo.	8,612,621	76,512	8,536,109	8,354,135	[illegible]
85	Oneida National Bank & Trust Co. of Central N. Y., Utica	8,572,358	2,141,478	6,430,880	8,711,427	[illegible]
86	Idaho Bank & Trust Co., Pocatello	8,562,462	15,020	8,533,142	8,359,400	[illegible]
87	Jackson State Bank & Trust Co., Maquoketa, Iowa	8,471,468	1,071,237	6,506,109	7,662,317	[illegible]
88	Security Trust & Savings Bank, Billings, Mont.	8,471,468	192,079	8,279,378	9,600,087	[illegible]
89	First Security National Bank & Trust Co., Lexington, Ky.	8,354,425	2,674,727	6,379,758	8,781,192	[illegible]
90	First National Bank of Jackson, Miss.	8,348,182	4,555,271	3,357,911	8,652,823	[illegible]
91	Stockmen's Bank, Gillette, Wyo.	8,291,589	116,536	8,150,444	8,271,357	[illegible]
92	First National Bank of North Platte, Neb.	8,241,011	1,044,195	7,193,216	8,338,036	[illegible]
93	First National Bank of Fort Worth, Texas	8,209,178	1,143,220	7,065,408	8,760,797	[illegible]
94	Central Bank, Monroe, La.	8,103,468	249,333	7,854,633	10,645,350	[illegible]
95	First National Bank of Holdrege, Neb.	8,083,395	383,055	7,650,340	7,217,206	[illegible]
96	First National Bank of Hereford, Texas	8,059,157	312,717	7,746,740	9,535,696	[illegible]
97	First State Bank of Uvalde, Texas	8,002,587	370,443	7,630,144	7,263,982	[illegible]
98	Council Bluffs Savings Bank, Iowa	8,002,055	413,596	7,588,459	7,313,070	[illegible]
99	Farmers State Bank, Fort Morgan, Colo.	7,960,500	49,800	7,910,700	7,897,563	[illegible]
100	Manufacturers & Traders Trust Co., Buffalo, N. Y.	7,906,885	3,668,332	4,697,753	9,253,851	[illegible]

(a)—Components may not add to totals due to rounding. (b)—Loans secured by farmland (Item 1c, Schedule A of the June 30, 1970 call report except that loan investments in Farmers Home Administration notes are excluded). (c)—Loans to farmers except those secured by farmland (Item 4, Schedule A of the June 30, 1970 call report). Footnotes to Farmers Home Administration notes, professional area for Stock National Bank of Boston, Imperial Bank, Wash.

FIRST NATIONAL BANK OF GREELEY - STATE OF COLORADO
LOAN PORTFOLIO - BY CATEGORY
(Year End)

	1966		1967		1968		1969	
	FNBG	State (000)	FNBG	State (000)	FNBG	State (000)	FNBG	State (000)
Farm	8,099	260,462	8,750	275,633	10,225	294,393	10,083	308,907
% Farm	36.8	14.0	38.0	13.4	40.5	12.3	36.7%	11.9%
Individual	3,268	503,960	2,657	582,662	3,245	691,940	3,888	736,452
% Individual	14.9	27.2	11.5	28.5	12.9	28.9	14.2%	28.3%
Real Estate, 1-4 family		------	------	------	------	------	981	241,883
% 1-4 Family	------	------	------	------	------	------	3.6%	9.3%
Total Loans & Disc.	21,981	1,854,756	23,016	2,047,370	25,215	2,390,435	27,463	2,599,273

SOURCES: Bank Operating Statistics (FDIC) 1966-1969. Call Reports, First National Bank of Greeley, year end, 1966-1969.

COMMERCIAL BANK PORTION OF DISPLAY */ ADVERTISING IN
DENVER NEWSPAPERS OF GENERAL CIRCULATION
1961 - 1969

Year	Retail	General	Automotive	S & L	Commercial Banks	Total	Commercial Bank Percentage
1961	33,423,985	5,811,298	3,020,565	1,143,264	422,617	43,821,729	0.9%
1962	35,664,342	5,444,281	3,075,012	1,076,659	413,348	45,673,642	0.9%
1963	37,727,543	5,090,160	3,346,552	1,224,888	444,396	47,833,539	0.9%
1964	39,998,894	5,148,987	3,721,999	1,424,848	437,654	50,732,382	0.9%
1965	43,256,582	4,911,288	3,936,824	1,334,551	640,184	54,079,429	1.2%
1966	47,806,822	5,665,063	4,341,029	1,718,725	712,486	60,244,125	1.2%
1967	50,876,545	5,539,079	4,054,298	1,505,064	923,796	62,898,782	1.5%
1968	50,895,646	5,557,164	3,621,243	1,491,155	644,703	62,209,911	1.0%
1969	50,843,433	5,865,556	3,479,606	1,609,539	686,309	62,484,443	1.1%

*/ Eliminating classified, legal and office advertising.

SOURCE: Media Records, 1961 - 1969

LOCAL TELEVISION ADVERTISING
DENVER STATIONS

Year	Total Sales	Total Commercial Banking	Commercial Banking Percentage
1968	$ 15,344,680.00	$ 241,749.00	1.58
1969	$ 14,906,840.00	$ 189,842.72	1.27

SOURCE: Broadcast Advertisers Reports, Inc., Denver market profile, 300 Fifth Avenue, New York, New York.

THE FIRST NATIONAL BANK OF DENVER - ADVERTISING BUDGETS IN DOLLARS AND AS A PORPORTION OF TOTAL OPERATING REVENUES

Category	1965	1966	1967	1968	1969
Newspaper, Daily	$45,623.05	$55,101.98	$67,908.39	$49,059.90	63,060.52
Newspaper, Weekly	3,790.70	4,316.00	8,014.24	3,094.66	4,991.00
Newspaper, Misc.	761.50	415.00	1,483.55	2,700.61	3,548.63
Magazine, Consumer	3,819.00	5,409.00	5,083.35	5,904.34	8,369.86
Magazine, Trade	4,605.00	5,160.00	6,716.35	6,004.83	5,918.00
Television	44,365.00	47,866.00	63,494.00	82,622.23	158,842.72
Radio	11,877.60	9,966.45	16,528.00	27,652.38	43,699.48
Outdoor	20,591.20	11,346.00	15,270.75	17,250.00	31,650.00
Transit	---	---	---	---	---
Directories	5,824.90	7,027.00	7,955.87	6,906.58	9,152.24
Direct Mail	1,844.55	1,560.40	1,569.10	418.94	5,972.18
* Total Non-Media	33,104.70	74,794.47	91,405.37	90,746.09	171,159.45
Total Expenditures	176,207.20	222,962.30	285,418.97	292,360.56	506,364.08
Total Operating Revenue	20,597,884.72	24,662,169.89	27,395,705.75	33,662,583.10	41,203,043.30
Advertising Portion of Total	0.86	0.90	1.04	0.87	1.23

*Non-media expenditures include those for production and printing, advertising specialties, Bank and Trust Department annual reports, lobby displays and signs, photos, special promotions, advertising agency fees and annual membership fees of Foundation for Full Service Banks.

DX 13

AMERICAN BANKER
December 18, 1970

How Bankers' Balances Compare
By Federal Reserve Districts, End of Third Quarter, 1970 vs. 1969

Federal Reserve District	Due to Banks In Millions 1970	1969	Number of Banks 1970	1969
1	$ 809	$ 705	67	59
2	13,595	9,760	77	76
3	812	758	19	20
4	745	689	28	26
5	759	774	42	40
6	1,604	1,584	74	75
7	2,942	2,646	88	89
8	993	1,047	33	33
9	503	507	32	31
10	1,078	1,075	50	47
11	1,942	1,690	120	119
12	1,435	1,328	49	46
	$27,217	$22,563	679	661

* Banks reporting correspondent bank balances of $500,000 or more to American Banker, excluding deposits in overseas branches.

DX 14

AMERICAN BANKER
December 18, 1970

Largest Bankers' Banks

*Ranked by Size of Correspondent Balances**
(With Percentages to Total Deposits Sept. 30, 1970)

Compiled by American Banker

Rank 9/30/70		Deposits "Due to Banks" 9/30/70 (in $1,000)	% of Total Deposits	Rank 9/30-10/1 1969	Gain
1	Manufacturers Hanover Tr. Co., New York	2,756,463	29.5	2	+ 1
2	Chase Manhattan Bank NA, New York	2,610,076	18.8	1	
3	Morgan Guaranty Trust Co., New York	2,054,203	33.0	4	+ 1
4	First National City Bank, New York	1,615,570	13.8	3	
5	Chemical Bank, New York	1,436,126	19.7	6	+ 1
6	Irving Trust Co., New York	938,414	28.3	5	
7	Continental Illinois NB&T Co., Chicago	830,140	17.4	7	
8	Bankers Trust Co., New York	801,201	14.8	8	
9	Marine Midland Bank—New York	646,840	29.5	10	+ 1
10	First National Bank, Chicago	326,938	7.7	9	
11	Republic National Bank, Dallas	283,767	19.8	16	+ 5
12	Harris Trust & Savings Bank, Chicago	263,597¶	16.3	25	+13
13	Bank of America NT&SA, San Francisco	255,873	1.4	13	
14	United California Bank, Los Angeles	250,186	6.7	24	+10
15	First National Bank, Boston	247,759	9.8	12	
16	First Pa. Bnkg. & Trust Co., Philadelphia	233,341	11.9	17	+ 1
17	Philadelphia National Bank	229,516	13.9	15	
18	First National Bank, Dallas	220,519	17.4	14	
19	National Bank of Detroit	198,820	6.0	18	
20	Mellon Nat'l Bank & Trust Co., Pittsburgh	177,078	4.7	26	+ 6
21	First City National Bank, Houston	171,162	16.7	27	+ 6
22	Northern Trust Co., Chicago	166,689	12.4	22	

*—All figures exclude deposits in overseas branches unless otherwise noted.
¶—Includes foreign branch. ‡—Includes subsidiaries.

Compiled by American Banker

Rank 9/30/70		Deposits "Due to Banks" 9/30/70 (in $1,000)	% of Total De-posits	Rank 9/30-10/1 1969	Gain
23	First National Bank, St. Louis	166,479	22.3	21	
24	New England Merchants NB, Boston	164,741	22.6	48	+24
25	First Wisconsin National Bank, Milwaukee	161,286	15.7	11	
26	Bank of New York	158,152	12.8	20	
27	Mercantile Trust Co. NA, St. Louis	153,634	17.3	23	
28	Texas Commerce Bank NA, Houston				
29	Northwestern National Bank, Minneapolis	141,363	16.3	42	+14
		141,035	17.5	28	
30	Bank of California NA, San Francisco	130,791	8.6	38	+ 8
31	Girard Trust Bank, Philadelphia	124,903	9.3	29	
32	National Shawmut Bank, Boston	120,935	15.5	31	
33	First National Bank, Miami	118,945	17.7	36	+ 3
34	First National Bank, Minneapolis	118,373	15.9	30	
35	National City Bank, Cleveland	114,732	9.6	33	
36	Wachovia B&T Co. NA, Winston-Salem	113,273	8.1	41	+ 5
37	Citizens & Southern NB of Ga., Savannah	109,083‡	8.3	44	+ 7
38	National Stock Yards NB, Ill.	107,819	86.8	34	
39	Commerce Bank, Kansas City, Mo.	107,428	23.3	32	
40	Crocker-Citizens NB, San Francisco	104,701	2.6	19	
41	Bank of the Southwest NA, Houston	103,080	16.8	49	+ 8
42	Citizens Fidelity B&T Co., Louisville, Ky.	98,212	21.3	37	
43	Indiana National Bank, Indianapolis	95,254	11.6	64	+21
44	North Carolina National Bank, Charlotte	92,370	8.3	45	+ 1
45	Security Pacific National Bank, Los Angeles	92,019	1.5	39	
46	Wells Fargo Bank, NA, San Francisco	89,894	1.9	35	
47	Fidelity Bank, Rosemont, Pa.	88,529	7.9	62	+15
48	First National Bank, Kansas City, Mo.	88,483	27.5	40	
49	First National Bank, Atlanta, Ga.	85,022	11.8	46	
50	First National Bank, Memphis, Tenn.	84,974	13.4	47	

*—All figures exclude deposits in overseas branches unless otherwise noted.
¶—Includes foreign branch. ‡—Includes subsidiaries.

Compiled by American Banker

Rank 9/30/70		Deposits "Due to Banks" 9/30/70 (in $1,000)	% of Total De-posits	Rank 9/30-10/1 1969	Gain
51	First National Bank of Md., Baltimore	82,364	12.5	43	
52	Fulton National Bank, Atlanta, Ga.	81,244	22.3	61	+ 9
53	First National Bank, Cincinnati	80,803	13.5	51	
54	Seattle-First National Bank	77,088	4.2	69	+15
55	American Fletcher NB&T Co., Indianapolis	75,939	9.3	52	
56	First National Bank, St. Paul, Minn.	74,718	11.5	60	+ 4
57	Omaha National Bank, Neb.	70,352	20.8	54	
58	Mercantile National Bank, Dallas	70,223	12.6	65	+ 7
59	Union Bank, Los Angeles	69,981	4.3	70	+11
60	State Street Bank & Trust Co., Boston	69,893	8.4	79	+19
61	Central Nat'l B&T Co., Des Moines, Iowa	69,432	35.4	67	+ 6
62	Third National Bank, Nashville, Tenn.	68,810	14.7	59	
63	Union Planters Nat'l Bank, Memphis, Tenn.	68,628	11.1	53	
64	Central National Bank, Cleveland	68,452	7.0	77	+13
65	American Nat'l Bank & Trust Co., Chicago	68,303	10.2	66	+ 1
66	Franklin National Bank, Mineola, N.Y.	67,766	3.3	57	
67	First American NB, Nashville, Tenn.	66,948	12.0	72	+ 5
68	Iowa-Des Moines National Bank	65,964	24.6	58	
69	Provident National Bank, Philadelphia	64,650	7.8	82	+13
70	Liberty Nat'l B&T Co., Oklahoma City	64,385	16.1	73	+ 3
71	City National B&T Co., Kansas City, Mo.	62,217	20.7	50	
72	Nat'l Bank of Commerce, New Orleans, La.	60,533	15.8	80	+ 8
73	First National Bank, Fort Worth, Texas	59,075	16.1	74	+ 1
74	Fort Worth National Bank, Texas	57,686	14.4	68	
75	Pittsburgh National Bank	56,049	3.9	83	+ 8

*—All figures exclude deposits in overseas branches unless otherwise noted. †—Includes foreign branch. ‡—Includes subsidiaries.

Compiled by American Banker

Rank 9/30/70		Deposits "Due to Banks" 9/30/70 (in $1,000)	% of Total Deposits	Rank 9/30-10/1 1969	Gain
76	Brown Bros. Harriman & Co., New York	55,169	18.1	56	
77	First National B&T Co., Oklahoma City	55,126	16.3	55	
78	Florida National Bank, Jacksonville	53,712	22.4	63	
79	First National Bank, Denver	53,033	10.2	91	+12
80	Hamilton Nat'l Bank, Chattanooga, Tenn.	52,958	20.4	84	+ 4
81	First National Bank, Louisville, Ky.	51,788	12.4	88	+ 7
82	Whitney National Bank, New Orleans, La.	51,700	9.0	78	
83	Atlantic National Bank, Jacksonville, Fla.	51,345	29.2	100	+17
84	Detroit Bank & Trust Co.	51,098	2.8	71	
85	Frost National Bank, San Antonio, Texas	50,503	14.8	107	+22
86	Marshall & Ilsley Bank, Milwaukee, Wis.	49,970	11.9	85	
87	Marine Midland Bank—Western, Buffalo, N.Y.	48,861	3.7	76	
88	First National Bank, Birmingham, Ala.	48,466	8.7	87	
89	Deposit Guaranty Nat'l Bank, Jackson, Miss.	48,187	12.4	94	+ 5
90	Texas Bank & Trust Co. Dallas	47,426	19.6	81	
91	La Salle National Bank, Chicago	44,216	11.0	105	+14
92	National Bank of Commerce, Dallas	43,826	24.2	98	+ 6
93	United Virginia Bk./St. Planters, Richmond	43,737	10.2	89	
94	First Western B&T Co., Los Angeles	42,284	4.9	117	+23
95	Trust Co. of Georgia, Atlanta	42,106‡	5.4	95	
96	Marquette National Bank, Minneapolis	41,877	24.2	96	
97	First National Bank, Tampa, Fla.	41,675	19.9	93	
98	Merchants National Bk., Cedar Rapids, Iowa	41,623	27.0	97	
99	Cleveland Trust Co.	41,493	1.9	102	+ 3
100	National Bank of North America, N.Y.	40,266	2.5	111	+11

*—All figures exclude deposits in overseas branches unless otherwise noted. ¶—Includes foreign branch. ‡—Includes subsidiaries.

Compiled by American Banker

Rank 9/30/70		Deposits "Due to Banks" 9/30/70 (in $1,000)	% of Total De-posits	Rank 9/30-10/1 1969	Chg
101	First & Merchants Nat'l Bank, Richmond, Va.	40,343	5.5	99	
102	Hibernia Nat'l Bank, New Orleans, La.	39,990	13.2	90	
103	Florida Nat'l Bank & Trust Co., Miami	39,668	24.6	75	
104	United Bank of Denver NA	39,643	9.3	119	+15
105	Continental Nat'l Bank, Fort Worth, Tex.	39,639	22.4	101	
106	Manufacturers National Bank, Detroit	39,514	2.3	104	
107	American Bk. & Tr. Co., Baton Rouge, La.	38,975	18.4	118	+11
108	First Union Nat'l Bank, Charlotte, N. C.	38,746	4.3	148	+40
109	Marine Nat'l Exchange Bank, Milwaukee	38,614	14.4	106	
110	Fifth Third Bank, Cincinnati, Ohio	38,304	8.6	103	
111	American NB&T Co., St. Paul, Minn.	37,937	23.4	93	
112	First National Bank, Orlando, Fla.	37,842	20.3	114	+ 2
113	Connecticut Bank & Trust Co., Hartford	36,892	3.8	130	+17
114	Exchange National Bank, Tampa, Fla.	36,626	19.5	108	
115	New Jersey Bank NA, Clifton	36,420	7.8	115	
116	First Nat'l Bank & Trust Co., Tulsa, Okla.	35,462	10.0	122	+ 6
117	Riggs National Bank, Washington, D. C.	35,402	4.2	86	
118	Bank of St. Louis, Mo.	35,022	21.8	109	
119	Fidelity Bank NA, Oklahoma City	34,856	22.2	134	+15
120	Central National Bank, Chicago	34,501	8.4	133	+13
121	Huntington Nat'l Bank, Columbus, Ohio	34,237	7.0	124	+ 3
122	Central Bank & Trust Co., Denver	33,653	15.3	128	+ 6
123	First National Bank, Fort Lauderdale, Fla.	33,409	21.9	112	
124	National Bank of Commerce, Seattle	33,066	3.1	116	
125	Bank of New Orleans & Trust Co., La.	32,057	19.0	135	+10

*—All figures exclude deposits in overseas branches unless otherwise noted.
¶—Includes foreign branch. ‡—Includes subsidiaries.

Compiled by American Banker

Rank 9/30/70		Deposits "Due to Banks" 9/30/70 (in $1,000)	% of Total De-posits	Rank 9/30-10/1 1969	Gain
126	First National B&T Co., Lincoln, Neb.	31,885	17.0	126	
127	Southern National Bank, Houston	31,756	27.1	139	+12
128	First National Bank of Oregon, Portland	31,682	1.9	131	+ 3
129	Hambro American B&T Co., New York	31,352	42.5	—	
130	Continental Bank, Houston	31,221	31.3	125	
131	Nat'l Bk. of Commerce, San Antonio, Tex.	30,830	12.7	146	+15
132	Maryland National Bank, Baltimore	30,278	3.0	136	+ 4
133	First-Citizens B&T Co., Smithfield, N. C.	30,274	4.8	110	
134	First National Bank, Omaha, Neb.	29,968	18.0	140	+ 6
135	Fourth Nat'l B&T Co., Wichita, Kans.	29,816	11.9	155	+20
136	Worthen Bk. & Tr. Co., Little Rock, Ark.	29,787	15.8	138	+ 2
137	National Bk. of Commerce, Memphis, Tenn.	29,627	13.7	129	
138	First National Bank, Jackson, Miss.	28,632	8.9	113	
139	Hartford National Bank & Trust Co., Conn.	28,630	3.3	141	+ 2
140	First National Bank, Wichita, Kans.	27,934	21.5	152	+12
141	Equitable Trust Co., Baltimore, Md.	27,496	4.8	149	+ 8
142	Boatmen's National Bank, St. Louis	27,414	10.0	147	+ 5
143	National Bk. of Commerce, Lincoln, Neb.	27,414	21.4	123	
144	American NB&T Co., Chattanooga, Tenn.	27,328	12.2	150	+ 6
145	National Bank of Tulsa, Okla.	27,018	8.5	132	
146	First National State Bank, Newark, N. J.	26,187	3.8	174	+28
147	Nat'l Newark & Essex Bk., Newark, N. J.	25,408	4.1	166	+19
148	Bank of Virginia, Richmond	24,788	7.0	154	+ 6
149	Charleston National Bank, W. Va.	24,238	16.8	186	+37
150	Alamo National Bank, San Antonio, Tex.	23,737	15.8	143	

*—All figures exclude deposits in overseas branches unless otherwise noted. ¶—Includes foreign branch. ‡—Includes subsidiaries.

Compiled by American Banker

Rank 9/30/70		Deposits "Due to Banks" 9/30/70 (in $1,000)	% of Total Deposits	Rank 9/30-10/1 1969	Gain
151	Capital National Bank, Austin, Tex.	23,378	13.9	160	+ 9
152	Central Bk. & Tr. Co., Birmingham, Ala.	23,365	21.7	175	+23
153	United States National Bank, Omaha, Neb.	23,359	14.7	137	
154	Schroder Trust Co., New York	23,159	23.0	223	+69
155	Louisville Trust Co., Ky.	23,097	18.1	159	+ 4
156	Capital National Bank, Houston	23,033	19.9	205	+49
157	First Security Bank of Utah NA, Ogden	22,733	4.7	207	+50
158	First National Bank, Little Rock, Ark.	22,622	18.6	158	
159	Central Trust Co., Cincinnati	22,569	4.8	162	+ 3
160	Houston National Bank	22,251	9.0	145	
161	American Security & Tr. Co., Wash., D. C.	22,223	3.3	121	
162	Commercial Nat'l Bank, Kansas City, Kans.	21,858	22.6	167	+ 5
163	Barnett First Nat'l Bk., Jacksonville, Fla.	21,734	11.8	170	+ 7
164	Union Commerce Bank, Cleveland	21,405	4.1	165	+ 1
165	Colorado National Bank, Denver	21,308	8.2	151	
166	American National Bank, Denver	21,125	17.1	164	
167	First National Bank, Amarillo, Tex.	20,772	15.9	184	+17
168	Merchants Nat'l B&T Co., Indianapolis	20,597	5.4	178	+10
169	United States Nat'l Bk. of Oregon, Portland	20,387	1.4	180	+11
170	Amarillo National Bank, Tex.	19,788	17.4	191	+21
171	Union Trust Co. of Maryland, Baltimore	19,548	4.4	144	
172	Citizens National Bank, Lubbock, Tex.	19,437	21.3	153	
173	Birmingham Trust National Bank, Ala.	19,270	6.3	183	+10
174	Virginia Naitonal Bank, Norfolk	19,046	2.2	193	+19
175	Guaranty Bank & Trust Co., Alexandria, La.	19,040	23.5	127	
176	Security National Bank, Kansas City, Kans.	18,836	22.9	169	

*—All figures exclude deposits in overseas branches unless otherwise noted.
¶—Includes foreign branch. ‡—Includes subsidiaries.

Compiled by American Banker

Rank 9/30/70		Deposits "Due to Banks" 9/30/70 (in $1,000)	% of Total De-posits	Rank 9/30-10/1 1969	Gain
177	Banco Credito y Ahorro Ponceno, Ponce, P.R.	18,733	4.4	161	
178	Marine Bank & Trust Co., Tampa, Fla.	18,658	18.5	200	+22
179	First National Exchange Bank, Roanoke, Va.	18,581	4.4	163	
180	National American Bank, New Orleans, La.	18,324	10.5	142	
181	Valley National Bank, Phoenix, Ariz.	18,067	1.2	217	+36
182	Toledo Trust Co., Ohio	17,780	4.5	156	
183	El Paso National Bank, Texas	17,743	10.9	188	+ 5
184	Hamilton National Bank, Knoxville, Tenn.	17,416	8.1	192	+ 8
185	Security National Bank, Sioux City, Iowa	17,151	21.2	195	+10
186	First National Bank, Montgomery, Ala.	17,138	9.5	177	
187	Pacific Nat'l. Bank of Washington, Seattle	16,992	2.8	.....	
188	Central-Penn Nat'l Bank, Bala Cynwyn, Pa.	16,651	3.9	157	
189	Hongkong & Shanghai Bkg. Cp., San Fran.	16,576	22.5	.....	
190	National Boulevard Bank, Chicago	16,416	7.7	226	+36
191	Society National Bank, Cleveland	15,990	2.2	173	
192	Austin National Bank, Texas	15,989	7.9	181	
193	American National Bank, Austin, Texas	15,534	11.2	202	+ 9
194	Park National Bank, Knoxville, Tenn.	15,074	9.8	182	
195	Houston Bank & Trust Co.	15,047	13.7	.....	
196	Beverly Bank, Chicago	15,042	11.5	206	+10
197	Commercial Nat'l Bank, Little Rock, Ark.	14,860	20.6	189	
198	Continental B&T Co., Salt Lake City, Utah	14,606	13.8	185	
199	Nat'l Commercial B&T Co., Albany, N.Y.	14,495	2.0	232	+33
200	Midland Nat'l Bank, Minneapolis, Minn.	14,478	14.6	199	

*—All figures exclude deposits in overseas branches unless otherwise noted. —Includes foreign branch. ‡—Includes subsidiaries.

Compiled by American Banker

Bank 9/30/70		Deposits "Due to Banks" 9/30/70 (in $1,000)	% of Total Deposits	Rank 9/30-10/1 1969	Gain
201	Bank of the Commonwealth, Detroit	14,264	1.4	120	
202	First National Bank, Wilkes-Barre, Pa.	14,110	9.5	194	
203	Western Pa. National Bank, Pittsburgh	13,706	1.8	210	+ 7
204	Columbia Un. NB&T Co., Kansas City, Mo.	13,470	16.2	—	
205	Main Bank of Houston	12,993	24.5	176	
206	Fidelity Union Trust Co., Newark, N.J.	12,770	2.1	179	
207	Commercial National Bank, Peoria, Ill.	12,744	7.0	203	
208	County Trust Co., White Plains, N.Y.	12,626	1.4	—	
209	State National Bank, El Paso, Texas	12,557	8.2	209	
210	Commercial National Bank, Shreveport, La.	12,205	6.7	228	+18
211	First National Bank, Lubbock, Texas	12,079	9.7	198	
212	Fourth National Bank, Tulsa, Okla.	11,971	16.7	212	
213	Bank of Hawaii, Honolulu	11,879	2.0	—	
214	American National Bank, St. Joseph, Mo.	11,793	13.8	201	
215	Drovers National Bank, Chicago	11,482	6.5	229	+14
216	Commerce Union Bank, Nashville, Tenn.	11,435	3.5	—	
217	First National Bank, Topeka, Kans.	11,299	7.9	208	
218	Branch Banking & Trust Co., Wilson, N.C.	11,269	5.2	214	
219	City National Bank, Miami	11,250	8.4	187	
220	Corpus Christi Bank & Trust Co., Texas	11,189	13.3	—	
221	First National Bank, Albuquerque, N.M.	11,144	5.7	—	
222	First Wichita Nat'l Bk., Wichita Falls, Texas	11,122	7.8	222	
223	Michigan Bank NA, Detroit	11,027	1.7	196	
224	South Carolina Nat'l Bank, Charleston, S.C.	10,976	2.2	233	+ 9
225	Union National Bank, Little Rock, Ark.	10,803	12.4	172	

*—All figures exclude deposits in overseas branches unless otherwise noted.
¶—Includes foreign branch. ‡—Includes subsidiaries.

Compiled by American Banker

Rank 9/30/70		Deposits "Due to Banks" 9/30/70 (in $1,000)	% of Total Deposits	Rank 9/30-10/1 1969	Gain
226	Wilmington Trust Co., Del.	10,708	2.8	225	
227	Peoples Nat'l Bank of Washington, Seattle	10,489	2.7	215	
228	First National Bank, Waco, Texas	10,451	9.9	—	
229	First Jersey Nat'l Bank, Jersey City, N.J.	10,239	2.3	—	
230	First National Bank, Sioux City, Iowa	10,057	13.7	235	+ 5

*—All figures exclude deposits in overseas branches unless otherwise noted. ¶—Includes foreign branch. ‡—Includes subsidiaries.

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Correspondent Bank Deposits with Colorado Banks (September 30, 1970)

Rank in Nation		Deposits Due to Banks in $1,000	% of Total Deposits
79	First National Bank of Denver	53,033	10.2
104	United Bank of Denver, NA	39,643	9.3
122	Central Bank & Trust Co.	33,653	15.3
165	Colorado National Bank	21,308	8.2
166	American National Bank	21,125	17.1

Source: "Largest Bankers' Banks", *American Banker*, Dec. 18, 1970.

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Correspondent Bank Relationships of Colorado Banks

Arizona	14	Nevada	3
California	85	New Mexico	9
Colorado *	572	New York	199
Georgia	2	North Carolina	1
Idaho	1	Oklahoma	7
Illinois	74	Oregon	3
Iowa	2	Pennsylvania	5
Kansas	9	Tennessee	1
Louisiana	1	Texas	52
Maryland	1	Utah	11
Massachusetts	5	Washington (state)	3
Michigan	4	Wyoming	6
Minnesota	5	Washington, D.C.	1
Missouri	109	Foreign	10
Nebraska	40		
		TOTAL	1,234

* Denver 415.

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TABLE

Number of Colorado Communities with Commercial Banks and Holding Company Activity in Them

Number of Communities with no Holding Company Bank	107
Number of Communities Served by Holding Companies which are not Substantial Offerors of Correspondent Services	7
Number of Communities Served by One or More of the Major Denver Bank Holding Companies	13
TOTAL	127

Assuming only Denver Banks can Offer Correspondent Services to Colorado Country Banks and Assuming Further that Country Banks Would Be Unwilling to Correspond with a Competitor, Colorado Cities with Commercial Banks and Available Offerors of Correspondent Banking Services to Independent Banks

City—1970 Population and Name of Bank	Deposits as of 12/31/70 (000)	Holding Company Controlling Bank	Available Offerors Of Correspondent Banking Services [1]
Akron—1,775			FNBD
Citizens National Bank	8,192		United
			CNBD
			American
			CB&T
			Security
Alamosa—6,985			FNBD
Alamosa National Bank	8,209		United
First National Bank	6,469		CNBD
			American
			CB&T
			Security
Arvada—46,814			FNBD
Arvada State Bank	10,102		United
First National Bank	11,540		CNBD
			American
			CB&T
			Security
Aspen—2,404			FNBD
Bank of Aspen	12,821		United
First National Bank	3,175		CNBD
			American
			CB&T
			Security
Ault—841			
Farmers National Bank	6,221	ABC	
			FNBD
			United
			CNBD
			American
			CB&T
			Security

[1] Banks available to provide correspondent banking services to present or future independent banks in the specified city (see list at end of table).

Assuming *only* Denver Banks can Offer Correspondent Services to Colorado Country Banks and Assuming Further that Country Banks Would Be Unwilling to Correspond with a Competitor, Colorado Cities with Commercial Banks and Available Offerors of Correspondent Banking Services to Independent Banks

City—1970 Population and Name of Bank	Deposits as of 12/31/70 (000)	Holding Company Controlling Bank	Available Offerors Of Correspondent Banking Services [1]
Aurora—74,974			
United Bank of Aurora	14,606	United	
Aurora National Bank	16,885		FNBD
Peoples Bank & Trust	23,916		CNBD
			American
			CB&T
			Security
Berthoud—1,446			FNBD
Berthoud National Bank	4,336		United
			CNBD
			American
			CB&T
			Security
Boulder—66,870			
Arapahoe National Bank	6,958	ABC	
First National Bank	68,309	ABC	
United Bank	25,549	United	
Boulder National Bank	12,172		FNBD
National State Bank	32,342		CNBD
Security Bank	3,640		American
			CB&T
			Security
Brighton—8,309			FNBD
First Bank & Trust	14,861		United
			CNBD
			American
			CB&T
			Security
Broomfield—7,261			FNBD
Broomfield	6,578		United
			CNBD
			American
			CB&T
			Security

[1] Banks available to provide correspondent banking services to present or future independent banks in the specified city (see list at end of table).

Assuming *only* Denver Banks can Offer Correspondent Services to Colorado Country Banks and Assuming Further that Country Banks Would Be Unwilling to Correspond with a Competitor, Colorado Cities with Commercial Banks and Available Offerors of Correspondent Banking Services to Independent Banks

City—1970 Population and Name of Bank	Deposits as of 12/31/70 (000)	Holding Company Controlling Bank	Available Offerors Of Correspondent Banking Services [1]
Brush—3,377			FNBD
Farmers State Bank	8,029		United
First National Bank	7,158		CNBD
			American
			CB&T
			Security
Buena Vista—1,962			FNBD
Buena Vista Bank & Trust	2,624		United
			CNBD
			American
			CB&T
			Security
Burlington—2,828			FNBD
Bank of Burlington	6,269		United
First National Bank	4,911		CNBD
			American
			CB&T
			Security
Byers—NR			FNBD
Byers State Bank	2,277		United
			CNBD
			American
			CB&T
			Security
Calhan—465			FNBD
Farmers State Bank	5,302		United
			CNBD
			American
			CB&T
			Security
Canon City—9,206			FNBD
First National Bank	15,836		United
Fremont National Bank	10,629		CNBD
			American
			CB&T
			Security

[1] Banks available to provide correspondent banking services to present or future independent banks in the specified city (see list at end of table).

Assuming *only* Denver Banks can Offer Correspondent Services to Colorado Country Banks and Assuming Further that Country Banks Would Be Unwilling to Correspond with a Competitor, Colorado Cities with Commercial Banks and Available Offerors of Correspondent Banking Services to Independent Banks:

City—1970 Population and Name of Bank	Deposits as of 12/31/70 (000)	Holding Company Controlling Bank	Available Offerors Of Correspondent Banking Services [1]
Castle Rock—1,531			FNBD
Bank of Douglas Co.	6,601		United
			CNBD
			American
			CB&T
			Security
Cedaredge—581			FNBD
First National Bank	2,462		United
			CNBD
			American
			CB&T
			Security
Center—1,470			FNBD
First National Bank	6,226		United
			CNBD
			American
			CB&T
			Security
Cheyenne Wells—982			FNBD
Eastern Colorado Bank	4,965		United
			CNBD
			American
			CB&T
			Security
Colorado Springs—135,060			
Colorado Springs National Bank	42,413	(United)	
Exchange National Bank	61,883		
First National Bank	104,210	ABC	
Academy Boulevard Bank	7,818	Central Colo.	FNBD
Central Colorado Bank	30,545	Central Colo.	CNBD
Air Academy National Bank	8,548		American
American Heritage Bank & Trust	14,254		CB&T
Bank of Colorado	2,082		Security
Colorado Commercial Bank	16,267		
E. Colorado Springs National Bank	8,810		
Northern National Bank	6,815		
Pikes Peak National	8,159		
Western National Bank	7,018		
Citadel Bank (new)			

[1] Banks available to provide correspondent banking services to present or future independent banks in the specified city (see list at end of table).

Assuming *only* Denver Banks can Offer Correspondent Services to Colorado Country Banks and Assuming Further that Country Banks Would Be Unwilling to Correspond with a Competitor, Colorado Cities with Commercial Banks and Available Offerors of Correspondent Banking Services to Independent Banks

City—1970 Population and Name of Bank	Deposits as of 12/31/70 (000)	Holding Company Controlling Bank	Available Offerors Of Correspondent Banking Services [1]
Commerce City—17,407			FNBD
Metro State Bank	6,685		United
			CNBD
			American
			CB&T
			Security
Cortez—6,032			FNBD
Citizens State Bank	7,325		United
First National Bank	11,169		CNBD
			American
			CB&T
			Security
Craig—4,205			FNBD
Moffat Co. State Bank	13,645		United
			CNBD
			American
			CB&T
			Security
Cripple Creek—425			FNBD
First National Bank	844		United
			CNBD
			American
			CB&T
			Security
Del Norte—1,569			FNBD
Rio Grande Co. Bank	2,362		United
			CNBD
			American
			CB&T
			Security
Delta—3,694			FNBD
Colorado Bank & Trust Co.	12,127		United
National Bank of Delta	4,289		CNBD
			American
			CB&T
			Security

[1] Banks available to provide correspondent banking services to present or future independent banks in the specified city (see list at end of table).

Assuming *only* Denver Banks can Offer Correspondent Services to Colorado Country Banks and Assuming Further that Country Banks Would Be Unwilling to Correspond with a Competitor, Colorado Cities with Commercial Banks and Available Offerors of Correspondent Banking Services to Independent Banks

City—1970 Population and Name of Bank	Deposits as of 12/31/70 (000)	Holding Company Controlling Bank	Available Offerors Of Correspondent Banking Services[1]
Denver—514,678			
American National Bank	130,872	Western	[2]
Colorado National Bank	282,436	Colo. CNB	
First National Bank Bear Valley	12,480	FNBanc.	
First National Bank	560,381	FNBanc.	
NE Colorado National Bank	10,829	Colo. CNB	
So. Colorado National Bank	5,545	Colo. CNB	
United Bank of Denver	485,442	United	
Villa National	7,568	United	
Security National Bank	29,747	First Colo.	
University National Bank	27,434	First Colo.	
Alameda National Bank	13,376		
Bank of Denver	25,037		
Boulevard National Bank	12,041		
Center State Bank	7,228		
Central Bank & Trust	236,938		
Cherry Creek National	26,579		
Colfax National Bank	7,291		
Colorado State Bank	41,515		
Columbine State Bank	2,154		
Guaranty Bank & Trust	29,124		
Guaranty Bank of Stapleton	3,296		
Metro National Bank	10,344		
Mid-States Bank	804		
Montbello State Bank	2,360		
Mountain States Bank	22,267		
National City Bank	29,613		
North Denver Bank	27,077		
So. Denver National Bank	9,783		
Southwest State Bank	15,117		
Union National Bank	28,955		
West National Bank	7,071		
Delores—820			FNBD
Delores State Bank	4,956		United
			CNBD
			American
			CB&T
			Security

[1] Banks available to provide correspondent banking services to present or future independent banks in the specified city (see list at end of table).

[2] All Denver banks not offerors of correspondent banking services covered by one or more of the Denver based offerors.

Assuming only Denver Banks can Offer Correspondent Services to Colorado Country Banks and Assuming Further that Country Banks Would Be Unwilling to Correspond with a Competitor, Colorado Cities with Commercial Banks and Available Offerors of Correspondent Banking Services to Independent Banks

City—1970 Population and Name of Bank	Deposits as of 12/31/70 ($000)	Holding Company Controlling Bank	Available Offerors Of Correspondent Banking Services [1]
Dove Creek—619			FNBD
Dove Creek State Bank	2,232		United
			CNBD
			American
			CB&T
			Security
Durango—10,233			FNBD
Bank of Durango	6,509		United
Burns National Bank	11,226		CNBD
First National Bank	12,656		American
			CB&T
			Security
Eads—795			FNBD
First National Bank	4,697		United
			CNBD
			American
			CB&T
			Security
Eagle—790			FNBD
First National Bank	4,895		United
			CNBD
			American
			CB&T
			Security
Eaton—1,389			FNBD
Eaton Bank	5,206		United
			CNBD
			American
			CB&T
			Security
Englewood—33,695			
Continental National Bank	36,271	Western	
First National Bank	64,653	First Colo.	FNBD
Republic National Bank	7,896		United
			CNBD
			CB&T

[1] Banks available to provide correspondent banking services to present or future independent banks in the specified city (see list at end of table).

Assuming *only* Denver Banks can Offer Correspondent Services to Colorado Country Banks and Assuming Further that Country Banks Would Be Unwilling to Correspond with a Competitor, Colorado Cities with Commercial Banks and Available Offerors of Correspondent Banking Services to Independent Banks,

City—1970 Population and Name of Bank	Deposits as of 12/31/70 (000)	Holding Company Controlling Bank	Available Offerors Of Correspondent Banking Services[1]
Erie—1,099			FNBD
Erie Bank	1,203		United
			CNBD
			American
			CB&T
			Security
Estes Park—1,616			FNBD
Estes Park Bank	4,005		United
First National Bank	3,639		CNBD
			American
			CB&T
			Security
Evergreen—2,321			FNBD
First National Bank	8,549		United
			CNBD
			American
			CB&T
			Security
Fairplay—419			FNBD
Bank of Fairplay	1,883		United
			CNBD
			American
			CB&T
			Security
Flagler—615			FNBD
First National Bank	4,830		United
			CNBD
			American
			CB&T
			Security
Fleming—349			FNBD
First National Bank	1,982		United
			CNBD
			American
			CB&T
			Security

[1] Banks available to provide correspondent banking services to present or future independent banks in the specified city (see list at end of table).

Assuming only Denver Banks can Offer Correspondent Services to Colorado Country Banks and Assuming Further that Country Banks Would Be Unwilling to Correspond with a Competitor, Colorado Cities with Commercial Banks and Available Offerors of Correspondent Banking Services to Independent Banks

City—1970 Population and Name of Bank	Deposits as of 12/31/70 (000)	Holding Company Controlling Bank	Available Offerors Of Correspondent Banking Services [1]
Florence—2,846			FNBD
First National Bank	4,386		United
			CNBD
			American
			CB&T
			Security
Fort Carson—19,399			
Fort Carson National Bank	4,892	ABC	
			FNBD
			United
			CNBD
			American
			CB&T
			Security
Fort Collins—43,337			
First National Bank	54,404	Western	
United Bank of Fort Collins	40,189	United	
Univ. National Bank	6,847	(ABC)	
Rocky Mountain Bank & Trust	3,514		FNBD
			CNBD
			CB&T
			Security
Fort Lupton—2,489			FNBD
Fort Lupton State Bank	7,978		United
			CNBD
			American
			CB&T
			Security
Fort Morgan—7,594			FNBD
Farmers State Bank	19,473		United
First National Bank	9,557		CNBD
			American
			CB&T
			Security

[1] Banks available to provide correspondent banking services to present or future independent banks in the specified city (see list at end of table).

Assuming *only* Denver Banks can Offer Correspondent Services to Colorado Country Banks and Assuming Further that Country Banks Would Be Unwilling to Correspond with a Competitor, Colorado Cities with Commercial Banks and Available Offerors of Correspondent Banking Services to Independent Banks

City—1970 Population and Name of Bank	Deposits as of 12/31/70 (000)	Holding Company Controlling Bank	Available Offerors Of Correspondent Banking Services [1]
Fountain—3,515			FNBD
First State Bank	2,099		United
			CNBD
			American
			CB&T
			Security
Fowler—1,241			FNBD
First National Bank	4,086		United
Fowler State Bank	3,277		CNBD
			American
			CB&T
			Security
Frisco—471			FNBD
Summit County Bank	2,418		United
			CNBD
			American
			CB&T
			Security
Fruita—1,822			FNBD
Fruita State Bank	4,380		United
			CNBD
			American
			CB&T
			Security
Glenwood Springs—4,106			
Bank of Glenwood	6,218	Colo. CNB	
First National Bank	26,842		FNBD
			United
			American
			CB&T
			Security
Golden—9,817			FNBD
First National Bank	25,119		United
Golden State Bank	8,920		CNBD
			American
			CB&T
			Security

[1] Banks available to provide correspondent banking services to present or future independent banks in the specified city (see list at end of table).

Assuming *only* Denver Banks can Offer Correspondent Services to Colorado Country Banks and Assuming Further that Country Banks Would Be Unwilling to Correspond with a Competitor, Colorado Cities with Commercial Banks and Available Offerors of Correspondent Banking Services to Independent Banks

City—1970 Population and Name of Bank	Deposits as of 12/31/70 (000)	Holding Company Controlling Bank	Available Offerors Of Correspondent Banking Services [1]
Granada—551			FNBD
American State Bank	2,697		United
			CNBD
			American
			CB&T
			Security
Granby—554			FNBD
Middle Park Bank	4,800		United
			CNBD
			American
			CB&T
			Security
Grand Junction—20,170			
Mesa National Bank	8,279	United	
First National Bank	33,420		FNBD
U.S. Bank of Grand Junction	28,460		CNBD
			American
			CB&T
			Security
Greeley—38,902			
Cache National Bank	7,738	ABC	
First National Bank	40,862	(FNBanc.)	
Greeley National Bank	43,735	ABC	
United Bank of Greeley	27,370	United	
W. Greeley National Bank	3,557	ABC	
State Bank of Greeley	2,120		CNBD
			American
			CB&T
			Security
Gunnison—4,613			FNBD
First National Bank	6,208		United
Gunnison Bank & Trust	5,065		CNBD
			American
			CB&T
			Security

[1] Banks available to provide correspondent banking services to present or future independent banks in the specified city (see list at end of table).

Assuming *only* Denver Banks can Offer Correspondent Services to Colorado Country Banks and Assuming Further that Country Banks Would Be Unwilling to Correspond with a Competitor, Colorado Cities with Commercial Banks and Available Offerors of Correspondent Banking Services to Independent Banks

City—1970 Population and Name of Bank	Deposits as of 12/31/70 (000)	Holding Company Controlling Bank	Available Offerors Of Correspondent Banking Services[1]
Haxtun—899			FNBD
Haxtun Commercial Bank	3,137		United
			CNBD
			American
			CB&T
			Security
Hayden—763			FNBD
Yampa Valley State Bank	1,695		United
			CNBD
			American
			CB&T
			Security
Hereford—NB			FNBD
Hereford State Bank	1,296		United
			CNBD
			American
			CB&T
			Security
Holly—993			FNBD
First Bank & Trust	3,415		United
			CNBD
			American
			CB&T
			Security
Holyoke—1,640			FNBD
First National Bank	6,354		United
Holyoke Bank & Trust	1,199		CNBD
			American
			CB&T
			Security
Hotchkiss—507			FNBD
First State Bank	4,190		United
			CNBD
			American
			CB&T
			Security

[1] Banks available to provide correspondent banking services to present or future independent banks in the specified city (see list at end of table).

Assuming *only* Denver Banks can Offer Correspondent Services to Colorado Country Banks and Assuming Further that Country Banks Would Be Unwilling to Correspond with a Competitor, Colorado Cities with Commercial Banks and Available Offerors of Correspondent Banking Services to Independent Banks

City—1970 Population and Name of Bank	Deposits as of 12/31/70 (000)	Holding Company Controlling Bank	Available Offerors Of Correspondent Banking Services [1]
Hugo—759			FNBD
First National Bank	5,799		United
			CNBD
			American
			CB&T
			Security
Idaho Springs—2,003			FNBD
First State Bank	3,845		United
			CNBD
			American
			CB&T
			Security
Ignacio—613			FNBD
Bank of Ignacio	3,314		United
			CNBD
			American
			CB&T
			Security
Johnstown—1,191			FNBD
First National Bank	3,984		United
			CNBD
			American
			CB&T
			Security
Julesburg—1,578			FNBD
First National Bank	6,377		United
			CNBD
			American
			CB&T
			Security
Keenesburg—427			FNBD
Citizens State Bank	3,456		United
			CNBD
			American
			CB&T
			Security

[1] Banks available to provide correspondent banking services to present or future independent banks in the specified city (see list at end of table).

Assuming *only* Denver Banks can Offer Correspondent Services to Colorado Country Banks and Assuming Further that Country Banks Would Be Unwilling to Correspond with a Competitor, Colorado Cities with Commercial Banks and Available Offerors of Correspondent Banking Services to Independent Banks

City—1970 Population and Name of Bank	Deposits as of 12/31/70 (000)	Holding Company Controlling Bank	Available Offerors Of Correspondent Banking Services [1]
Kiowa—235			FNBD
Kiowa State Bank	6,280		United
			CNBD
			American
			CB&T
			Security
Kirk—NR			FNBD
Kirk State Bank	1,784		United
			CNBD
			American
			CB&T
			Security
Kit Carson—220			FNBD
Kit Carson State Bank	2,418		United
			CNBD
			American
			CB&T
			Security
Kremmling—764			FNBD
Bank of Kremmling	4,166		United
			CNBD
			American
			CB&T
			Security
Lafayette—3,498			
First National Bank	3,904	ABC	
			FNBD
			United
			CNBD
			American
			CB&T
			Security
La Jara—768			FNBD
First National Bank	4,832		United
			CNBD
			American
			CB&T
			Security

[1] Banks available to provide correspondent banking services to present or future independent banks in the specified city (see list at end of table).

Assuming *only* Denver Banks can Offer Correspondent Services to Colorado Country Banks and Assuming Further that Country Banks Would Be Unwilling to Correspond with a Competitor, Colorado Cities with Commercial Banks and Available Offerors of Correspondent Banking Services to Independent Banks

City—1970 Population and Name of Bank	Deposits as of 12/31/70 (000)	Holding Company Controlling Bank	Available Offerors Of Correspondent Banking Services [1]
La Junta—7,938			FNBD
Colorado Bank & Trust	11,800		United
La Junta State Bank	4,579		CNBD
			American
			CB&T
			Security
Lakewood—92,787			
Lakewood Colorado National Bank	10,012	Colo. CNB	
First Westland National Bank	18,706		FNBD
Jefferson County Bank	57,316		United
			American
			CB&T
			Security
Lamar—7,797			FNBD
First National Bank	10,282		United
Valley State Bank	5,286		CNBD
			American
			CB&T
			Security
La Salle—1,227			FNBD
So. Platte National Bank	3,363		United
			CNBD
			American
			CB&T
			Security
Las Animas—3,148			FNBD
First National Bank	5,193		United
			CNBD
			American
			CB&T
			Security
Leadville—4,314			FNBD
Commercial Bank	7,438		United
			CNBD
			American
			CB&T
			Security

[1] Banks available to provide correspondent banking services to present or future independent banks in the specified city (see list at end of table).

Assuming *only* Denver Banks can Offer Correspondent Services to Colorado Country Banks and Assuming Further that Country Banks Would Be Unwilling to Correspond with a Competitor, Colorado Cities with Commercial Banks and Available Offerors of Correspondent Banking Services to Independent Banks.

City—1970 Population and Name of Bank	Deposits as of 12/31/70 (000)	Holding Company Controlling Bank	Available Offerors Of Correspondent Banking Services [1]
Limon—1,814			FNBD
First National Bank	5,256		United
			CNBD
			American
			CB&T
			Security
Littleton—26,466			CNBD
United Bank of Littleton	16,826	United	American
First National Bank of Southglenn	7,322	FNBanc.	CB&T
Littleton National Bank	15,532		Security
Longmont—23,209			FNBD
First National Bank	23,699		United
Longmont National Bank	16,420		CNBD
St. Vrain Valley State Bank	5,698		American
			CB&T
			Security
Louisville—2,409			
First National Bank	3,508	ABC	
			FNBD
			United
			CNBD
			American
			CB&T
			Security
Loveland—16,220			
First National Bank	25,433	ABC	
Westlake First National Bank	3,718	ABC	
Home State Bank	9,633		FNBD
			United
			CNBD
			American
			CB&T
			Security
Mancos—709			FNBD
Mancos State Bank	1,542		United
			CNBD
			American
			CB&T
			Security

[1] Banks available to provide correspondent banking services to present or future independent banks in the specified city (see list at end of table).

Assuming *only* Denver Banks can Offer Correspondent Services to Colorado Country Banks and Assuming Further that Country Banks Would Be Unwilling to Correspond with a Competitor, Colorado Cities with Commercial Banks and Available Offerors of Correspondent Banking Services to Independent Banks

City—1970 Population and Name of Bank	Deposits as of 12/31/70 (000)	Holding Company Controlling Bank	Available Offerors Of Correspondent Banking Services [1]
Manitou Springs—4,278			
Bank of Manitou	3,663	ABC	
			FNBD
			United
			CNBD
			American
			CB&T
			Security
Manzanola—451			FNBD
J. N. Beaty & Co.	738		United
			CNBD
			American
			CB&T
			Security
McClave—NR			FNBD
McClave State Bank	1,114		United
			CNBD
			American
			CB&T
			Security
Meeker—1,597			FNBD
First National Bank	6,456		United
			CNBD
			American
			CB&T
			Security
Minturn—706			FNBD
Engle Valley Bank (new)			United
			CNBD
			American
			CB&T
			Security
Monte Vista—3,909			FNBD
Fidelity Bank & Trust	7,188		United
			CNBD
			American
			CB&T
			Security

[1] Banks available to provide correspondent banking services to present or future independent banks in the specified city (see list at end of table).

Assuming *only* Denver Banks can Offer Correspondent Services to Colorado Country Banks and Assuming Further that Country Banks Would Be Unwilling to Correspond with a Competitor, Colorado Cities with Commercial Banks and Available Offerors of Correspondent Banking Services to Independent Banks

City—1970 Population and Name of Bank	Deposits as of 12/31/70 (000)	Holding Company Controlling Bank	Available Offerors Of Correspondent Banking Services [1]
Montrose—6,196			FNBD
First National Bank	15,118		United
Montrose National Bank	7,192		CNBD
			American
			CB&T
			Security
North Glenn—27,937			
First National Bank	9,450	FNBanc.	
			United
			CNBD
			American
			CB&T
			Security
Norwood—408			FNBD
San Miguel Basin State Bank	4,199		United
			CNBD
			American
			CB&T
			Security
Ordway—1,017			FNBD
First National Bank	1,772		United
			CNBD
			American
			CB&T
			Security
Otis—521			FNBD
First National Bank	3,695		United
			CNBD
			American
			CB&T
			Security
Ouray—741			FNBD
Citizens State Bank	3,701		United
			CNBD
			American
			CB&T
			Security

[1] Banks available to provide correspondent banking services to present or futura independent banks in the specified city (see list at end of table).

Assuming *only* Denver Banks can Offer Correspondent Services to Colorado Country Banks and Assuming Further that Country Banks Would Be Unwilling to Correspond with a Competitor, Colorado Cities with Commercial Banks and Available Offerors of Correspondent Banking Services to Independent Banks

City—1970 Population and Name of Bank	Deposits as of 12/31/70 (000)	Holding Company Controlling Bank	Available Offerors Of Correspondent Banking Services [1]
Pagosa Springs—1,360			FNBD
Citizens Bank	2,472		United
			CNBD
			American
			CB&T
			Security
Palisade—874			FNBD
Palisades National Bank	3,251		United
			CNBD
			American
			CB&T
			Security
Paonia—1,161			FNBD
First National Bank	4,433		United
			CNBD
			American
			CB&T
			Security
Pueblo—97,453			
United Bank of Pueblo	19,541	United	
First National Bank	55,670		FNBD
Minnequa Bank	23,743		CNBD
Midtown National	6,306		American
Park National Bank	4,168		CB&T
Pueblo Bank & Trust	35,809		Security
Republic National Bank	11,709		
Rangely—1,591			FNBD
Bank of Rangely	1,555		United
			CNBD
			American
			CB&T
			Security
Rifle—2,150			FNBD
First National Bank	6,747		United
			CNBD
			American
			CB&T
			Security

[1] Banks available to provide correspondent banking services to present or future independent banks in the specified city (see list at end of table).

Assuming *only* Denver Banks can Offer Correspondent Services to Colorado Country Banks and Assuming Further that Country Banks Would Be Unwilling to Correspond with a Competitor, Colorado Cities with Commercial Banks and Available Offerors of Correspondent Banking Services to Independent Banks

City—1970 Population and Name of Bank	Deposits as of 12/31/70 (000)	Holding Company Controlling Bank	Available Offerors Of Correspondent Banking Services [1]
Rocky Ford—4,859			
Rocky Ford National	5,497	Central Colo.	FNBD
Empire State Bank	2,542		United
			CNBD
			American
			CB&T
			Security
Salida—4,355			FNBD
First National Bank	8,297		United
			CNBD
			American
			CB&T
			Security
Security—15,297 [2]			FNBD
Bank of Fountain Valley	4,548		United
			CNBD
			American
			CB&T
			Security
Springfield—1,660			FNBD
First National Bank	7,918		United
			CNBD
			American
			CB&T
			Security
Steamboat Springs—2,340			FNBD
Routt Co. National Bank	13,803		United
			CNBD
			American
			CB&T
			Security
Sterling—10,636			
Commercial Savings Bank	13,038	(Colo. CNB)	
Security State Bank	24,045		
First National Bank	7,436	(FNBanc.)	United
			American
			CB&T
			Security

[1] Banks available to provide correspondent banking services to present or future independent banks in the specified city (see list at end of table).

[2] Population for Security—Widefield.

Assuming *only* Denver Banks can Offer Correspondent Services to Colorado Country Banks and Assuming Further that Country Banks Would Be Unwilling to Correspond with a Competitor, Colorado Cities with Commercial Banks and Available Offerors of Correspondent Banking Services to Independent Banks

City—1970 Population and Name of Bank	Deposits as of 12/31/70 (000)	Holding Company Controlling Bank	Available Offerors Of Correspondent Banking Services [1]
Strasburg—NR			FNBD
First National Bank	8,738		United
			CNBD
			American
			CB&T
			Security
Stratton—6,233			FNBD
First National Bank	5,029		United
			CNBD
			American
			CB&T
			Security
Telluride—552			FNBD
Bank of Telluride	1,315		United
			CNBD
			American
			CB&T
			Security
Thornton—13,326			FNBD
No. Valley State Bank	8,359		United
			CNBD
			American
			CB&T
			Security
Trinidad—9,901			FNBD
First National Bank	11,397		United
Trinidad National Bank	7,977		CNBD
			American
			CB&T
			Security
Vail—484			FNBD
Bank of Vail	4,106		United
			CNBD
			American
			CB&T
			Security

[1] Banks available to provide correspondent banking services to present or future independent banks in the specified city (see list at end of table).

Assuming *only* Denver Banks can Offer Correspondent Services to Colorado Country Banks and Assuming Further that Country Banks Would Be Unwilling to Correspond with a Competitor, Colorado Cities with Commercial Banks and Available Offerors of Correspondent Banking Services to Independent Banks

City—1970 Population and Name of Bank	Deposits as of 12/31/70 (000)	Holding Company Controlling Bank	Available Offerors Of Correspondent Banking Services [1]
Walden—907			FNBD
No. Park State Bank	2,420		United
			CNBD
			American
			CB&T
			Security
Walsenburg—4,329			FNBD
First National Bank	6,731		United
			CNBD
			American
			CB&T
			Security
Walsh—989			FNBD
Colorado State Bank	3,552		United
			CNBD
			American
			CB&T
			Security
Westminster—19,432			FNBD
First National Bank	16,869		United
			CNBD
			American
			CB&T
			Security
Wheat Ridge—29,795			FNBD
Lakeside National Bank	25,092	First Colo.	United
Wheatridge National Bank	2,401		CNBD
			American
			CB&T
Wiley—357			FNBD
State Bank of Wiley	3,267		United
			CNBD
			American
			CB&T
			Security

[1] Banks available to provide correspondent banking services to present or future independent banks in the specified city (see list at end of table).

Assuming *only* Denver Banks can Offer Correspondent Services to Colorado Country Banks and Assuming Further that Country Banks Would Be Unwilling to Correspond with a Competitor, Colorado Cities with Commercial Banks and Available Offerors of Correspondent Banking Services to Independent Banks

City—1970 Population and Name of Bank	Deposits as of 12/31/70 (000)	Holding Company Controlling Bank	Available Offerors Of Correspondent Banking Services [1]
Windsor—1,564			FNBD
First National Bank	5,709		United
			CNBD
			American
			CB&T
			Security
Woodland Park—1,022			FNBD
Park State Bank	2,234		United
			CNBD
			American
			CB&T
			Security
Wray—1,953			FNBD
First National Bank	10,759		United
			CNBD
			American
			CB&T
			Security
Yuma—2,259			FNBD
Farmers State Bank	7,231		United
			CNBD
			American
			CB&T
			Security

Sources: 1970 Census of Population, Bureau of the Census, U.S. Department of Commerce. Polk's Bank Directory, March 1971. Moody's Bank and Finance Manual.

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[1] Banks available to provide correspondent banking services to present or future independent banks in the specified city (see list at end of table).

Abbreviations and Symbols Used in Above Table

"Holding Company" column:

FNBance.	—	First National Bancorporation.
United	—	United Banks of Colorado, Inc.
Colo. CNB	—	Colorado CNB Bankshares, Inc.
ABC	—	Affiliated Bankshares of Colorado, Inc.
Western	—	Western Bancorporation.
First Colo.	—	First Colorado Bankshares.
Central Colo.	—	Central Colorado Bancorporation, Inc.
Security	—	Security National Bank of Denver (subsidiary of First Colorado Bankshares)

"Available Offerors" column:

FNBD	—	First National Bank of Denver (subsidiary of First National Bancorporation).
United	—	United Bank of Denver (subsidiary of United Banks of Colorado, Inc.).
CNBD	—	Colorado National Bank of Denver (subsidiary of Colorado CNB Bankshares, Inc.).
American	—	American National Bank of Denver (subsidiary of Western Bancorporation).
CB&T	—	Central Bank & Trust Co., Denver.

Code in parenthesis ( ) indicates status pending
NB—Not Reported.

1970 CORRESPONDENT BANKING SURVEY

BANKS WITH CORRESPONDENT DEPOSITS OVER $500,000 (,000's omitted in $ figures)*

AS REPORTED SEPT. 30 1970 AND SEPT. 30 OR OCT. 1, 1969

Compiled by the **American Banker** *and Copyright 1970*

FEDERAL RESERVE DISTRICT No. 1

	September 30, 1970								Sept. 30 or Oct. 1, 1969				
	Due to Banks			Total	D. to B. to T'tl	No. Corresp. Banks			Due to Banks			Total	D. to B. to T'tl
	Total	Dom.	Fgn.	Deposits	Dep.	Total	Dom.	Fgn.	Total	Dom.	Fgn.	Deps.	Dep.
CONNECTICUT	$	$	$	$	%				$	$	$	$	%
Connecticut Bank & Tr. Co., Hartford	36,892	36,321	571	977,172	3.8	112	90	22	28,927	28,458	469	740,166	3.9
Hartford National Bank & Trust Co.	28,630	26,659	1,971	871,802	3.3	123	94	29	25,859	24,690	1,169	803,800	3.2
Colonial Bank & Trust Co., Waterbury	3,884	3,874	10	233,580	1.7	20	19	1	3,754	3,739	15	191,898	2.0
Second National Bank, New Haven	2,610	2,602	8	163,359	1.6	14	13	1	2,908	2,899	9	157,027	1.9
United Bank & Trust Co., Hartford	2,249	2,249	....	96,023	2.3	15	15	...	2,022	2,022	...	87,431	2.3
Union Trust Co., New Haven	2,043	1,746	297	451,192	0.5	22	16	6	3,167	3,167	...	309,449	1.0
First New Haven National Bank	1,151	1,114	37	249,214	0.5	23	20	3	2,866	2,845	21	224,434	1.3
New Britain Bank & Trust Co.	611	611	....	55,441	1.1	4	4	..	608	608	...	53,139	1.1
New Britain National Bank	558	558	....	59,177	0.9	12	12	...	910	910	...	49,204	1.8
MAINE													
Maine National Bank, Portland	7,726	7,699	27	182,951	4.2	49	47	2	5,487	5,463	24	147,370	3.7
Merrill Trust Co., Bangor	4,347	4,347	....	104,252	4.2	6	6	...	918	918	...	86,949	1.1
First-Manufacturers NB, Lewiston	3,619	3,619	....	73,044	5.0	9	9	...	2,069	2,069	...	63,754	3.2
Canal National Bank, Portland	3,419	3,419	....	98,582	3.5	17	17	...	2,209	2,209	...	87,740	2.5
Depositors Trust Co., Augusta	2,537	2,537	....	156,059	1.6	9	9	...	1,207	1,207	...	141,341	0.9
Eastern Trust & Banking Co., Bangor	1,733	1,733	....	32,041	5.4	11	11	...	2,957	2,957	...	31,595	9.4
Merchants National Bank, Bangor	1,166	1,166	....	26,926	4.3	7	7	...	1,328	1,328	...	24,536	5.4
Casco Bank & Trust Co., Portland	1,099	1,099	....	117,099	0.9	32	32	...	798	798	...	106,181	0.8
Northern National Bank, Presque Isle	851	710	141	61,547	1.4	7	6	1	467	356	111	55,419	0.8
First National Bank, Biddeford	682	682	....	14,320	4.8	3	3	...	354	354	...	14,695	2.4
MASSACHUSETTS													
First National Bank, Boston	247,759	224,078	23,681	2,523,639	9.8	..	...	...	271,797	245,712	26,086	2,348,148	11.6
New England Merchants National Bank, Boston	164,741	162,991	1,750	727,861	22.6	..	...	...	84,752	82,560	2,192	598,327	14.2
National Shawmut Bank, Boston	120,935	....	....	779,325	15.5	..	...	...	128,347	107,507	20,841	744,631	17.2
State Street Bank & Trust Co., Boston	69,893	60,052	9,841	830,827	8.4	..	...	...	52,232	45,450	6,782	794,643	6.6
Third NB of Hampden Cty., Springfield	8,614	8,614	....	180,673	4.8	54	54	...	4,515	4,515	...	162,006	2.8
Worcester County National Bank, Worcester	8,358	8,317	40	281,003	3.0	40	37	3	7,685	7,565	120	258,669	3.0
Middlesex Bank NA, Everett	6,126	6,126	....	185,216	3.3	21	21	...	5,570	5,570	...	171,200	3.3
Harvard Trust Co., Cambridge	5,560	5,560	....	176,721	3.1	9	9	...	3,718	3,668	50	163,334	2.3
Boston Safe Deposit & Trust Co.	4,522	4,522	....	93,624	4.8	64	64	...	4,315	4,315	...	100,525	4.3
South Shore National Bank, Quincy	3,984	3,925	59	147,020	2.7	21	17	4	2,192	2,192	...	142,886	1.5
Union National Bank, Lowell	3,475	3,475	....	133,206	2.6	..	...	...	2,832	2,832	...	120,866	2.3
First Agr. NB of Berkshire Cty., Pittsfield	2,336	2,336	....	81,301	2.9	11	11	...	1,046	1,046	...	78,426	1.3
Newton-Waltham Bank & Trust Co., Waltham	2,295	2,295	....	133,047	1.7	8	8	...	2,085	2,085	...	123,000	1.7
Mechanics National Bank, Worcester	2,146	2,146	....	83,173	2.4	22	22	...	3,361	3,361	...	78,277	4.3
First Bank & Trust Co., Springfield	2,137	2,137	....	99,911	2.1	34	34	...	1,729	1,729	...	91,547	1.9
Guaranty Bank & Trust Co., Worcester	1,926	1,926	....	145,524	1.3	9	9	...	911	911	...	126,673	0.7
Norfolk County Trust Co., Brookline	1,919	1,919	....	207,934	0.9	18	18	...	2,245	2,245	...	150,337	1.2
First County National Bank, Brockton	1,761	1,761	....	42,329	4.2	3	8	...	....	....	...	....	..
Plymouth-Home National Bank, Brockton	1,712	1,712	....	63,510	2.7	7	7	...	2,179	2,179	...	58,272	3.7
Naumkeag Trust Co., Salem	1,631	1,631	....	29,452	5.5	9	9	...	1,589	1,589	...	29,150	5.4
Valley Bank & Trust Co., Springfield	1,558	1,558	....	159,597	1.0	5	5	...	1,955	1,955	...	147,909	1.3
First National Bank, New Bedford	1,296	1,295	1	58,396	2.2	7	6	1	....	....	...	....	....
Security National Bank, Lynn	1,259	1,259	....	56,231	2.2	9	9	...	1,332	1,332	...	50,076	2.7
Essex County Bank & Trust Co., Lynn	1,229	1,229	....	86,398	1.4	6	6	...	1,017	1,017	...	77,554	1.3
Fall River National Bank	1,149	1,149	....	33,508	3.4	..	...	...	956	956	...	30,124	3.2
Bay State Merchants Nti, Lawrence	1,045	....	....	51,150	2.0	4	...	...	1,161	1,161	...	46,965	2.5
Broadway Trust Co.	....	....	....	....	..	..	...	...	....	....	...	....	..
Melrose-Wakefield Trust Co., Wakefield	899	899	....	31,725	2.8	4	4	...	1,037	1,037	...	31,634	3.3
Merchants-Warren National Bank, Salem	839	839	....	38,837	2.2	4	4	...	....	....	...	....	..
Framingham Trust Co.	765	765	....	73,856	1.0	8	8	...	552	552	...	69,163	0.8
Merchants National Bank, New Bedford	736	736	....	47,938	1.5	8	8	...	1,320	1,316	4	43,815	3.0
Berkshire Bank & Trust Co., Pittsfield	663	663	....	57,251	1.2	..	...	...	365	365	...	42,087	0.9
Harbor National Bank, Boston	650	650	....	16,037	4.1	6	6	...	....	....	...	12,726	..
B.M.C. Durfee Trust Co., Fall River	645	645	....	42,579	1.5	8	8	...	707	707	...	40,231	1.8
Union Market National Bank, Watertown	565	565	....	44,472	1.3	1	1	...	646	646	...	43,123	1.5
Holyoke National Bank	527	527	....	23,104	2.3	3	3	...	585	585	...	22,873	2.5
County Bank NA, Cambridge	522	522	....	79,532	0.7	7	7	...	439	439	...	77,386	0.6
First NB of Franklin Cty., Greenfield	514	514	....	27,496	1.9	2	2	...	565	565	...	25,631	2.2
Franklin County Trust Co., Greenfield	508	508	....	28,240	1.8	11	11	...	730	730	...	27,547	2.7
NEW HAMPSHIRE													
Amoskeag National Bank, Manchester	5,183	5,183	....	35,232	14.7	7	7	...	2,882	2,882	...	33,007	8.7
Merchants National Bank, Manchester	2,863	2,863	....	31,279	9.2	..	...	...	1,524	1,524	...	32,801	4.6
Bank of New Hampshire NA, Manchester	2,660	2,660	....	92,378	2.9	11	11	...	735	735	...	14,026	5.3
Concord National Bank	2,363	2,363	....	27,835	8.5	13	13	...	717	717	...	28,325	2.5
Indian Head National Bank, Nashua	538	538	....	59,534	0.9	5	5	...	573	573	...	54,402	1.0
RHODE ISLAND													
Rhode Island Hosp. Tr. Co., Providence	5,886	3,366	2,519	485,174	1.2	72	38	34	5,607	4,143	1,464	441,836	1.3
Industrial National Bank, Providence	3,339	2,469	869	771,665	0.4	86	37	49	4,248	3,483	765	719,748	0.6
Citizens Trust Co., Providence	2,328	2,321	7	64,101	3.6	3	2	1	1,038	1,033	4	59,168	2.0

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Connecticut Bank & Tr. Co., Hartford	36,892	36,321	571	977,172	3.8	112	90	22	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Hartford National Bank & Trust Co.	28,630	26,659	1,971	871,802	3.3	123	94	29	25,859	24,690	1,169	803,800	3.2
Colonial Bank & Trust Co., Waterbury	3,884	3,874	10	233,580	1.7	20	19	1	3,754	3,739	15	191,898	2.0
Second National Bank, New Haven	2,610	2,602	8	163,359	1.6	14	13	1	2,908	2,899	9	157,027	1.9
United Bank & Trust Co., Hartford	2,249	2,249	....	96,023	2.3	15	15	...	2,022	2,022	...	87,431	2.3
Union Trust Co., New Haven	2,043	1,746	297	451,192	0.5	22	16	6	3,167	3,167	...	309,449	1.0
First New Haven National Bank	1,151	1,114	37	249,214	0.5	23	20	3	2,866	2,845	21	224,434	1.3
New Britain Bank & Trust Co.	611	611	....	55,441	1.1	4	4	..	608	608	...	53,139	1.1
New Britain National Bank	558	558	....	59,177	0.9	12	12	...	910	910	...	49,204	1.8
MAINE													
Maine National Bank, Portland	7,726	7,699	27	182,951	4.2	49	47	2	5,487	5,463	24	147,370	3.7
Merrill Trust Co., Bangor	4,347	4,347	....	104,252	4.2	6	6	...	918	918	...	86,949	1.1
First-Manufacturers NB, Lewiston	3,619	3,619	....	73,044	5.0	9	9	...	2,069	2,069	...	63,754	3.2
Canal National Bank, Portland	3,419	3,419	....	98,582	3.5	17	17	...	2,209	2,209	...	87,740	2.5
Depositors Trust Co., Augusta	2,537	2,537	....	156,059	1.6	9	9	...	1,207	1,207	...	141,341	0.9
Eastern Trust & Banking Co., Bangor	1,733	1,733	....	32,041	5.4	11	11	...	2,957	2,957	...	31,595	9.4
Merchants National Bank, Bangor	1,166	1,166	....	26,926	4.3	7	7	...	1,328	1,328	...	24,536	5.4
Casco Bank & Trust Co., Portland	1,099	1,099	....	117,099	0.9	32	32	...	798	798	...	106,181	0.8
Northern National Bank, Presque Isle	851	710	141	61,547	1.4	7	6	1	467	356	111	55,419	0.8
First National Bank, Biddeford	682	682	....	14,320	4.8	3	3	...	354	354	...	14,695	2.4
MASSACHUSETTS													
First National Bank, Boston	247,759	224,078	23,681	2,523,639	9.8	..	...	...	271,797	245,712	26,086	2,348,148	11.6
New England Merchants National Bank, Boston	164,741	162,991	1,750	727,861	22.6	..	...	...	84,752	82,560	2,192	598,327	14.2
National Shawmut Bank, Boston	120,935	....	....	779,325	15.5	..	...	...	128,347	107,507	20,841	744,631	17.2
State Street Bank & Trust Co., Boston	69,893	60,052	9,841	830,827	8.4	..	...	...	52,232	45,450	6,782	794,643	6.6
Third NB of Hampden Cty., Springfield	8,614	8,614	....	180,673	4.8	54	54	...	4,515	4,515	...	162,006	2.8
Worcester County National Bank, Worcester	8,358	8,317	40	281,003	3.0	40	37	3	7,685	7,565	120	258,669	3.0
Middlesex Bank NA, Everett	6,126	6,126	....	185,216	3.3	21	21	...	5,570	5,570	...	171,200	3.3
Harvard Trust Co., Cambridge	5,560	5,560	....	176,721	3.1	9	9	...	3,718	3,668	50	163,334	2.3
Boston Safe Deposit & Trust Co.	4,522	4,522	....	93,624	4.8	64	64	...	4,315	4,315	...	100,525	4.3
South Shore National Bank, Quincy	3,984	3,925	59	147,020	2.7	21	17	4	2,192	2,192	...	142,886	1.5
Union National Bank, Lowell	3,475	3,475	....	133,206	2.6	..	...	...	2,832	2,832	...	120,866	2.3
First Agr. NB of Berkshire Cty., Pittsfield	2,336	2,336	....	81,301	2.9	11	11	...	1,046	1,046	...	78,426	1.3
Newton-Waltham Bank & Trust Co., Waltham	2,295	2,295	....	133,047	1.7	8	8	...	2,085	2,085	...	123,030	1.7
Mechanics National Bank, Worcester	2,146	2,146	....	88,173	2.4	22	22	...	3,361	3,361	...	78,277	4.3
First Bank & Trust Co., Springfield	2,137	2,137	....	99,911	2.1	34	34	...	1,729	1,729	...	91,547	1.9
Guaranty Bank & Trust Co., Worcester	1,926	1,926	....	145,524	1.3	9	9	...	911	911	...	126,673	0.7
Norfolk County Trust Co., Brookline	1,919	1,919	....	207,934	0.9	18	18	...	2,245	2,245	...	190,337	1.2
First County National Bank, Brockton	1,761	1,761	....	42,329	4.2	8	8	...	...	...	...	...	..
Plymouth-Home National Bank, Brockton	1,712	1,712	....	63,510	2.7	7	7	...	2,179	2,179	...	58,272	3.7
Naumkeag Trust Co., Salem	1,631	1,631	....	29,452	5.5	9	9	...	1,589	1,589	...	29,150	5.4
Valley Bank & Trust Co., Springfield	1,558	1,558	....	159,597	1.0	5	5	...	1,955	1,955	...	147,903	1.3
First National Bank, New Bedford	1,296	1,295	1	58,396	2.2	7	6	1	...	...	...	...	..
Security National Bank, Lynn	1,259	1,259	....	56,231	2.2	9	9	...	1,332	1,332	...	50,076	2.7
Essex County Bank & Trust Co., Lynn	1,229	1,229	....	86,398	1.4	6	6	...	1,017	1,017	...	77,554	1.3
Fall River National Bank	1,149	1,149	....	31,748	3.4	..	...	...	956	956	...	30,124	3.2
Bay State Merchants NB, Lawrence	1,045	....	....	51,130	2.0	4	...	...	1,161	1,161	...	46,965	2.5
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Melrose-Wakefield Trust Co., Wakefield	899	899	....	31,725	2.8	4	4	...	1,037	1,037	...	31,504	..
Merchants-Warren National Bank, Salem	859	859	....	38,837	2.2	4	4	...	...	...	...	...	..
Framingham Trust Co.	765	765	....	73,836	1.0	8	8	...	552	552	...	69,163	0.8
Merchants National Bank, New Bedford	736	736	....	47,508	1.5	8	8	...	1,320	1,316	4	43,815	3.0
Berkshire Bank & Trust Co., Pittsfield	663	663	....	57,251	1.2	..	...	...	365	365	...	42,087	0.9
Harbor National Bank, Boston	650	650	....	16,037	4.1	6	6	...	...	...	...	12,726	..
B.M.C. Durfee Trust Co., Fall River	645	645	....	42,579	1.5	8	8	...	707	707	...	40,231	1.8
Union Market National Bank, Watertown	595	595	....	44,472	1.3	1	1	...	646	646	...	43,123	1.5
Holyoke National Bank	527	527	....	23,194	2.3	3	3	...	585	585	...	22,873	2.5
County Bank NA, Cambridge	522	522	....	79,582	0.7	7	7	...	439	439	...	77,386	0.6
First NB of Franklin Cty., Greenfield	514	514	....	27,406	1.9	2	2	...	565	565	...	25,631	2.2
Franklin County Trust Co., Greenfield	508	508	....	28,280	1.8	11	11	...	730	730	...	27,547	2.7
NEW HAMPSHIRE													
Amoskeag National Bank, Manchester	5,183	5,183	....	35,232	14.7	7	7	...	2,882	2,882	...	33,007	8.7
Merchants National Bank, Manchester	2,863	2,863	....	31,279	9.2	..	...	...	1,524	1,524	...	32,801	4.6
Bank of New Hampshire NA, Manchester	2,660	2,660	....	92,378	2.9	11	11	...	735	735	...	14,026	5.3
Concord National Bank	2,363	2,363	....	27,855	8.5	13	13	...	717	717	...	28,325	2.5
Indian Head National Bank, Nashua	538	538	....	59,534	0.9	5	5	...	573	573	...	54,402	1.0
RHODE ISLAND													
Rhode Island Hosp. Tr. Co., Providence	5,886	3,366	2,519	485,174	1.2	72	38	34	5,607	4,143	1,464	441,836	1.3
Industrial National Bank, Providence	3,339	2,449	889	771,665	0.4	86	37	49	4,248	3,483	765	719,748	0.6
Citizens Trust Co., Providence	2,328	2,321	7	64,101	3.6	3	2	1	1,036	1,033	4	52,150	2.0
VERMONT													
Howard National Bk. & Tr. Co., Burlington	1,072	....	....	118,262	0.9	12	...	...	...	...	...	...	..

FEDERAL RESERVE DISTRICT No. 2

CONNECTICUT													
Connecticut National Bank, Bridgeport	5,214	5,214	....	358,194	1.5	16	16	...	5,639	5,639	...	303,946	1.9
City Trust Co., Bridgeport	3,173	3,173	....	248,528	1.3	9	9	....	4,043	4,043	...	243,413	1.7
State NB of Connecticut, Bridgeport	2,291	1,811	480	324,780	0.7	30	8	22	2,508	2,392	116	308,770	0.8
NEW JERSEY													
New Jersey Bank NA, Clifton	36,420	35,672	748	466,444	7.8	70	33	37	34,008	33,132	876	419,728	8.1
First National State Bank, Newark	26,187	25,906	281	691,134	3.8	103	90	13	17,868	17,803	65	673,735	2.7
National Newark & Essex Bank, Newark	25,403	24,719	689	613,682	4.1	81	74	7	19,831	19,573	308	578,294	3.4
Fidelity Union Trust Co., Newark	12,770	12,342	428	608,002	2.1	100	86	14	17,044	15,623	1,421	562,608	2.9
First Jersey National Bank, Jersey City	10,239	10,116	123	450,981	2.3	33	22	11	5,081	4,939	142	414,291	1.2
Peoples Trust of New Jersey, Hackensack	9,831	9,128	702	596,474	1.6	58	47	11	6,674	6,466	208	494,355	1.3
National State Bank, Elizabeth	5,564	5,564	....	307,149	1.8	28	28	...	6,811	6,811	...	288,759	2.4
First National Bank of Passaic Cty., Paterson	5,522	5,520	12	360,475	1.5	25	23	2	3,876	3,857	19	357,586	1.1
Trust Co. of New Jersey, Jersey City	4,033	4,018	15	169,737	2.4	13	12	1	3,656	3,639	17	161,647	2.3
Commercial Trust Co., Jersey City	2,539	2,539	....	173,680	1.5	5	5	...	2,272	2,272	...	166,669	1.4
American National Bank & Tr. Co., Montclair	2,412	2,412	....	300,918	0.8	6	6	...	558	558	...	160,087	0.3
Union County Trust Co., Elizabeth	1,661	1,661	....	195,715	0.8	4	4	...	902	902	...	157,762	0.5
Peoples NB of Central Jersey, Piscataway	732	732	....	51,705	1.4	1	1	...	942	942	...	46,972	2.0
Hudson Trust Co., Union City	638	605	33	102,100	0.6	..	...	....	601	601	#	98,458	0.6
First National Iron Bank, Morristown	574	574	....	141,752	0.4	5	5	...	1,317	1,317	...	135,014	1.0
United NB of Central N.J., Plainfield	539	539	....	123,524	0.4	2	2	...	741	741	...	120,303	0.6

*—All figures exclude deposits in overseas branches unless otherwise noted. Components may not add to totals due to rounding. ‡—Includes subsidiaries.
†—Includes foreign branches. #—Under $500.

1970 CORRESPONDENT BANKING SURVEY

BANKS WITH CORRESPONDENT DEPOSITS OVER $500,000 (,000's omitted in $ figures)*

AS REPORTED SEPT. 30 1970 AND SEPT. 30 OR OCT. 1, 1969

Compiled by the **American Banker** *and Copyright 1970*

RESERVE DISTRICT NO. 2, Continued	September 30, 1970								Sept. 30 or Oct. 1, 1969							
	Due to Banks			Total	D. to B. to T'tl	No. Corresp. Banks			Due to Banks			Total	D. to B. to T'tl	No. Corresp. Banks		
NEW YORK	Total $	Dom. $	Fgn. $	Deposits $	Dep. %	Total	Dom.	Fgn.	Total $	Dom. $	Fgn. $	Deps. $	Dep. %	Total	Dom.	Fgn.
Manufacturers Hanover Trust Co., New York	2,756,463	....	....	9,354,456	29.5	..	...	...	1,774,919	...	...	7,403,502	23.9	..	...	...
Chase Manhattan Bank NA, New York	2,610,076	2,170,092	439,985	13,911,377	18.8	6,091	3,681	2,400	2,026,572	1,594,140	432,433	12,643,236	16.0	..	...	...
Morgan Guaranty Trust Co., New York	2,054,203	1,920,029	134,174	6,226,462	33.0	2,494	1,081	1,413	1,195,947	1,037,158	158,789	5,126,151	23.3	..	...	...
First National City Bank, New York	1,615,570	....	....	11,676,860	13.8	4,200	...	...	1,455,627	...	...	10,804,277	13.5	..	...	...
Chemical Bank, New York	1,436,126	....	....	7,272,765	19.7	..	...	...	906,697	...	...	6,187,451	14.7	..	...	...
Irving Trust Co., New York	938,414	....	....	3,314,478	28.3	..	...	...	982,824	...	...	3,370,548	29.2	..	...	...
Bankers Trust Co., New York	801,201	....	....	5,402,076	14.8	..	...	...	495,302	...	...	4,906,740	10.1	..	...	...
Marine Midland Bank-New York	646,840	595,667	51,173	2,193,153	29.5	941	351	590	290,688	238,217	52,470	1,576,174	18.4	..	...	...
Bank of New York	158,152	125,726	32,426	1,240,025	12.3	869	489	380	174,338	120,438	53,901	1,165,278	15.0	..	...	...
Franklin National Bank, Mineola	67,766	....	....	2,053,834	3.3	630	...	...	71,654	...	...	1,925,407	3.7	..	...	...
Brown Bros. Harriman & Co., New York	55,169	....	....	305,226	18.1	..	...	...	74,034	...	...	310,555	23.8	..	...	...
Marine Midland Bank-Western, Buffalo	48,861	36,212	12,649	1,308,059	3.7	149	106	43	53,368	45,378	7,989	1,235,844	4.3	..	...	...
National Bank of North America, New York	40,366	12,737	27,629	1,536,860	2.5	672	89	583	35,499	11,976	23,523	1,274,191	2.8	..	...	...
Hambro American Bank & Tr. Co., New York	31,352	1,241	30,111	73,713	42.5	131	14	117	8,651	457	8,194	48,929	17.7	..	...	...
Schroder Trust Co., New York	23,159	1,535	21,624	100,460	23.0	57	31	26	10,157	2,082	8,075	96,523	10.5	..	...	...
National Commercial Bank & Tr. Co., Albany	14,495	14,193	302	722,117	2.0	108	99	9	8,975	8,289	686	848,626	1.1	..	...	...
County Trust Co., White Plains	12,626	12,568	58	885,936	1.4	37	36	1	8,618	8,298	320	809,078	1.1	..	...	...
Manufacturers & Traders Trust Co., Buffalo	9,019	7,631	1,388	795,873	1.1	75	69	6	9,179	7,469	1,709	750,954	1.2	..	...	...
Lincoln Rochester Trust Co., Rochester	7,545	7,304	241	724,284	1.0	33	28	5	15,016	14,839	177	724,498	2.1	..	...	...
Marine Mid. Tr. Co. of Central N.Y., Syracuse	6,233	6,196	37	252,724	2.5	28	26	2	5,222	5,195	27	241,502	2.2	..	...	...
State Bank of Albany	5,406	5,371	34	655,267	0.8	33	32	1	6,592	6,552	40	807,839	0.8	..	...	...
Chinese American Bank, New York	5,123	3,733	1,390	11,636	44.0	7	3	4	4,990	3,803	1,188	9,194	54.3	..	...	...
American Bank & Tr. Co., New York	4,579	365	4,214	172,045	2.7	..	...	...	2,004	97	1,908	118,394	1.7	..	...	...
First Israel Bank & Tr. Co., New York	4,481	670	3,812	79,764	5.6	73	3	70	3,187	134	3,053	57,390	5.5	..	...	...
Republic National Bank, New York	4,456	556	3,899	150,766	3.0	..	...	...	9,645	1,498	8,147	81,727	11.8	..	...	...
National Bank of Westchester, White Plains	4,253	4,253	....	410,318	1.0	17	17	...	4,315	4,315	...	392,683	1.1	..	...	...
Liberty National Bank & Tr. Co., Buffalo	4,015	3,275	739	423,339	0.9	24	19	5	4,290	3,787	504	412,455	1.0	..	...	...
Atlantic Bank, New York	3,845	3,842	3	75,303	5.1	52	51	1	4,278	14	4,263	69,930	6.2	..	...	...
Kings Lafayette Bank, Brooklyn, New York	3,777	3,777	....	165,238	2.3	..	...	...	4,166	4,166	...	154,901	2.7	..	...	...
Sterling NB & Tr. Co., New York	3,748	1,510	2,238	243,883	1.5	103	17	86	3,187	1,277	1,910	213,822	1.5	..	...	...
United States Trust Co., New York	3,693	3,639	54	395,693	0.9	29	27	2	6,529	6,490	39	340,858	1.9	..	...	...
Security Trust Co., Rochester	3,329	3,329	...	334,563	1.0	25	24	1	1,688	1,678	10	313,020	0.5	..	...	...
First Trust & Deposit Co., Syracuse	3,143	3,108	35	281,869	1.1	22	21	1	3,512	3,491	21	262,337	1.3	..	...	...
Bank of Tokyo Tr. Co., New York	2,950	1,223	1,727	172,061	1.7	24	8	16	712	399	313	121,867	0.6	..	...	...
Valley NB of Long Island, Valley Stream	2,518	2,518	...	144,554	1.7	2	2	...	830	830	...	138,148	0.6	..	...	...
First Trust Co. of Albany NA	2,203	2,203	...	186,663	1.2	9	9	...	1,235	1,235	...	173,219	0.7	..	...	...
Marine Midland Tr. Co. of Mohawk Valley, Utica	1,832	1,832	...	198,117	0.9	8	8	...	2,050	2,050	...	187,512	1.1	..	...	...
Marine Midland NB of Troy	1,690	1,664	27	132,694	1.3	13	12	1	2,130	2,117	13	118,586	1.8	..	...	...
Central Trust Co., Rochester	1,498	1,494	2	169,844	0.9	16	15	1	1,953	1,940	12	189,221	1.0	..	...	...
Mohawk National Bank, Schenectady	1,490	1,490	...	86,566	1.7	6	6	...	2,931	...	...	92,103	3.2	..	...	...
Security NB of Long Island, Huntington	1,331	1,331	...	844,953	0.2	17	17	...	2,409	2,409	...	712,391	0.3	..	...	...
State of New York NB, Poughkeepsie	1,324	1,324	...	69,562	1.9	4	4	...	1,280	1,280	...	60,356	2.1	..	...	...
Marine Midland Bank of S.E.N.Y., Poughkeepsie	1,276	1,276	...	225,295	0.6	7	7	...	271	271	...	144,579	0.2	..	...	...
First Westchester NB, New Rochelle	1,221	1,221	...	157,135	0.8	6	6	...	140	140	...	140,070	0.1	..	...	...
Schenectady Trust Co.	1,149	1,149	...	110,012	1.0	5	5	...	790	790	...	101,531	0.8	..	...	...
First-City NB, Binghamton	1,072	1,072	...	151,705	0.7	2	2	...	853	853	...	136,465	0.6	..	...	...
Marine Mid. Tr. Co. of So. N.Y., Elmira	1,056	1,056	...	230,123	0.5	10	10	...	1,453	1,453	...	224,070	0.6	..	...	...
Marine Midland Bank-Rochester	871	836	35	412,963	0.2	19	17	2	1,354	1,317	37	414,622	0.3	..	...	...
Royal National Bank, New York	760	128	632	205,805	0.4	22	3	19	687	129	558	200,534	0.3	..	...	...
Hempstead Bank	715	715	...	153,567	0.5	8	8	...	...	...	...	...	...	..	...	...
Lincoln NB & Tr. Co. of Central NY, Syracuse	677	677	...	224,183	0.3	12	12	...	885	859	26	209,709	0.4	..	...	...
Oneida N. & Tr. Co. of Central NY, Utica	640	640	...	272,261	0.2	9	9	...	841	841	...	268,659	0.3	..	...	...
Merchants Bank, New York	...	...	...	...	...	...	...	...	...	...	...	...	...	..	...	...
Marine Mid. Tr. Co. of No. N.Y., Watertown	565	...	565	57,364	1.0	24	...	24	460	...	460	56,663	0.8	..	...	...
PUERTO RICO	549	549	...	135,629	0.4	7	7	...	66	66	...	134,050	0.1	..	...	...
Banco Credito y Ahorro Ponceno, Ponce	18,733	17,113	1,620	425,260	4.4	32	29	3	21,442	19,877	1,565	360,107	5.6	..	...	...
Banco Popular de Puerto Rico, San Juan	6,231	3,756	2,474	529,043	1.2	71	37	34	3,685	2,880	805	487,406	0.8	..	...	...
Banco de Ponce	2,769	2,769	...	304,405	0.9	14	14	...	525	525	...	263,568	0.2	..	...	...

FEDERAL RESERVE DISTRICT No. 3

DELAWARE																
Wilmington Trust Co.	10,709	10,706	2	389,653	2.8	29	27	2	10,136	10,117	20	402,860	2.5	..	...	...
Bank of Delaware, Wilmington	5,266	5,260	6	232,749	2.3	19	18	1	3,637	3,630	7	234,343	1.6	..	...	...
Delaware Trust Co., Wilmington	1,878	1,878	...	175,234	1.1	10	10	...	2,834	2,834	...	160,236	1.8	..	...	...
NEW JERSEY																
Bank of New Jersey, Camden	3,965	3,965	...	330,209	1.2	32	32	...	4,373	4,373	...	250,741	1.7	..	...	...
South Jersey National Bank, Camden	1,804	1,804	...	315,373	0.6	27	27	...	1,062	1,062	...	223,459	0.5	..	...	...
First NB of S. Jersey, Egg Harbor Twsp.	1,083	1,083	...	253,581	0.4	13	13	...	629	629	...	214,600	0.3	..	...	...
New Jersey NB, Trenton	1,033	914	119	491,622	0.2	25	20	5	1,272	1,240	32	338,564	0.4	..	...	...
PENNSYLVANIA																
First Pa., Bkg. & Tr. Co., Philadelphia	233,341	227,463	5,878	1,953,420	11.9	636	446	190	209,503	201,730	7,773	1,751,894	12.0	..	...	...
Philadelphia National Bank	229,516	202,141	27,375	1,655,949	13.9	1,065	625	440	223,403	199,773	23,630	1,487,626	15.0	..	...	...
Girard Trust Bank, Philadelphia	124,903	119,004	5,899	1,333,879	9.3	450	275	175	132,876	123,285	9,592	1,295,461	10.3	..	...	...
Fidelity Bank, Rosemont	88,529	78,984	9,545	1,117,253	7.9	411	230	181	66,175	60,312	5,862	1,092,903	6.1	..	...	...
Provident National Bank, Philadelphia	64,650	61,181	3,469	830,036	7.8	362	275	87	50,666	47,955	2,711	758,609	6.7	..	...	...
Central-Penn NB, Bala Cynwyd	16,651	15,894	757	424,555	3.9	108	89	19	22,492	21,841	652	375,162	6.0	..	...	...
First National Bank, Wilkes-Barre	14,110	14,110	...	148,906	9.5	52	52	...	14,488	14,488	...	132,651	10.9	..	...	...
Northeastern Pa. NB&T Co., Scranton	5,572	5,568	4	266,022	2.1	45	44	1	6,475	6,471	4	250,501	2.6	..	...	...
Continental Bank, Norristown	3,305	3,115	190	577,586	0.6	27	24	3	782	740	41	474,055	0.2	..	...	...
United Penn Bank, Wilkes-Barre	2,349	2,349	...	181,422	1.3	5	5	...	352	352	...	158,060	0.2	..	...	...
Industrial Valley B&T Co., Jenkintown	1,219	1,219	...	399,480	0.3	3	8	...	2,627	2,627	...	390,292	0.7	..	...	...
Third NB & Tr. Co., Scranton	818	818	...	89,636	0.9	6	6	...	660	660	...	78,227	0.8	..	...	...

OVERSIZE PAGE

Irving Trust Co., New York	938,414	....	....	3,314,478	28.3	..	...	...	982,824	...	...	3,370,548	29.2
Bankers Trust Co., New York	801,201	....	....	5,402,076	14.8	..	...	...	495,302	...	...	4,906,760	10.1
Marine Midland Bank-New York	646,840	595,667	51,173	2,193,153	29.5	941	351	590	290,688	238,217	52,470	1,576,174	18.4
Bank of New York	158,152	125,726	32,426	1,240,025	12.8	869	489	380	174,338	120,438	53,901	1,165,278	15.0
Franklin National Bank, Mineola	67,766	....	....	2,053,834	3.3	630	...	...	71,654	...	...	1,925,487	3.7
Brown Bros. Harriman & Co., New York	55,169	....	....	305,226	18.1	..	...	...	74,774	...	...	310,555	23.8
Marine Midland Bank-Western, Buffalo	48,861	36,212	12,649	1,308,859	3.7	149	106	43	5	45,378	7,909	1,235,844	4.3
National Bank of North America, New York	40,366	12,737	27,629	1,596,850	2.5	672	89	583	35,495	11,976	23,523	1,274,191	2.8
Hambro American Bank & Tr. Co., New York	31,352	1,241	30,111	73,713	42.5	131	14	117	8,651	457	8,194	48,929	17.7
Schroder Trust Co., New York	23,159	1,535	21,624	100,470	23.0	57	31	26	10,197	2,082	8,075	96,523	10.5
National Commercial Bank & Tr. Co., Albany	14,495	14,193	302	722,147	2.0	108	99	9	8,575	8,269	606	848,626	1.1
County Trust Co., White Plains	12,626	12,568	58	885,936	1.4	37	36	1	8,618	8,298	320	809,078	1.1
Manufacturers & Traders Trust Co., Buffalo	9,019	7,631	1,388	785,873	1.1	75	69	6	9,179	7,469	1,709	750,954	1.2
Lincoln Rochester Trust Co., Rochester	7,545	7,304	241	724,284	1.0	33	28	5	19,016	14,839	177	724,498	2.1
Marine Mid. Tr. Co. of Central N.Y., Syracuse	6,233	6,196	37	282,724	2.5	28	26	2	5,222	5,195	27	241,502	2.2
State Bank of Albany	5,486	5,371	34	655,267	0.8	33	32	1	6,592	6,552	40	807,839	0.8
Chinese American Bank, New York	5,123	3,733	1,390	11,636	44.0	7	3	4	4,990	3,803	1,188	9,194	54.3
American Bank & Tr. Co., New York	4,579	365	4,214	172,045	2.7	..	...	...	2,804	97	1,908	118,394	1.7
First Israel Bank & Tr. Co., New York	4,481	670	3,812	79,764	5.6	73	3	70	3,187	134	3,053	57,390	5.5
Republic National Bank, New York	4,456	556	3,899	150,766	3.0	..	...	...	9,645	1,498	8,147	81,727	11.8
National Bank of Westchester, White Plains	4,253	4,253	....	410,318	1.0	17	17	...	4,315	4,315	...	392,683	1.1
Liberty National Bank & Tr. Co., Buffalo	4,015	3,275	739	423,339	0.9	24	19	5	4,290	3,787	504	412,455	1.0
Atlantic Bank, New York	3,845	3,842	3	75,303	5.1	52	51	1	4,278	14	4,263	69,020	6.2
Kings Lafayette Bank, Brooklyn, New York	3,777	3,777	....	165,238	2.3	..	...	...	4,166	4,166	...	154,001	2.7
Sterling NB & Tr. Co., New York	3,748	1,510	2,238	243,883	1.5	103	17	86	3,187	1,277	1,910	213,822	1.5
United States Trust Co., New York	3,693	3,639	54	395,693	0.9	29	27	2	6,529	6,490	39	340,558	1.9
Security Trust Co., Rochester	3,329	3,329	...	234,563	1.0	25	24	1	1,688	1,678	10	313,020	0.5
First Trust & Deposit Co., Syracuse	3,143	3,108	35	281,809	1.1	22	21	1	3,512	3,491	21	262,337	1.3
Bank of Tokyo Tr. Co., New York	2,950	1,223	1,727	172,061	1.7	24	8	16	712	399	313	121,867	0.6
Valley NB of Long Island, Valley Stream	2,518	2,518	...	144,554	1.7	2	2	...	838	838	...	138,148	0.6
First Trust Co. of Albany NA	2,203	2,203	...	186,663	1.2	9	9	...	1,235	1,235	...	173,219	0.7
Marine Midland Tr. Co. of Mohawk Valley, Utica	1,832	1,832	...	198,117	0.9	8	8	...	2,050	2,050	...	187,512	1.1
Marine Midland NB of Troy	1,690	1,664	27	132,694	1.3	13	12	1	2,130	2,117	13	118,506	1.8
Central Trust Co., Rochester	1,496	1,494	2	169,844	0.9	16	15	1	1,953	1,940	12	189,221	1.0
Mohawk National Bank, Schenectady	1,490	1,490	...	86,568	1.7	6	6	...	2,831	...	...	92,103	3.2
Security NB of Long Island, Huntington	1,331	1,331	...	844,953	0.2	17	17	...	2,409	2,409	...	712,391	0.3
State of New York NB, Poughkeepsie	1,324	1,324	...	60,562	1.9	4	4	...	1,288	1,288	...	60,356	2.1
Marine Midland Bank of S.E.N.Y., Poughkeepsie	1,276	1,276	...	225,295	0.6	7	7	...	271	271	...	144,579	0.2
First Westchester NB, New Rochelle	1,221	1,221	...	157,132	0.8	6	6	...	140	140	...	140,070	0.1
Schenectady Trust Co.	1,149	1,149	...	110,012	1.0	9	9	...	798	798	...	101,531	0.8
First-City NB, Binghamton	1,072	1,072	...	151,705	0.7	2	2	...	853	853	...	134,465	0.6
Marine Mid. Tr. Co. of So. N.Y., Elmira	1,056	1,056	...	238,123	0.5	10	10	...	1,453	1,453	...	224,070	0.6
Marine Midland Bank-Rochester	871	836	35	412,983	0.2	19	17	2	1,354	1,317	37	414,622	0.3
Royal National Bank, New York	760	128	632	205,853	0.4	22	3	19	687	129	558	200,534	0.3
Hempstead Bank	715	715	...	153,567	0.5	8	8	...	...	...	...	...	...
Lincoln NB & Tr. Co. of Central NY, Syracuse	677	677	...	224,183	0.3	12	12	...	885	859	26	209,705	0.4
Lincoln N. & Tr. Co. of Central NY, Utica	649	649	...	272,761	0.2	9	9	...	841	841	...	268,659	0.3
Merchants Bank, New York	...	...	...	...	...	...	...	...	...	...	...	...	...
Marine Mid. Tr. Co. of No. N.Y., Watertown	565	...	565	97,364	1.8	24	...	24	460	...	460	90,866	0.5
	549	549	...	135,639	0.4	7	7	...	66	66	...	134,266	0.1
PUERTO RICO													
Banco Credito y Ahorro Ponceno, Ponce	18,733	17,113	1,620	425,263	4.4	32	29	3	21,442	19,877	1,565	380,107	5.6
Banco Popular de Puerto Rico, San Juan	6,231	3,756	2,474	529,043	1.2	71	37	34	3,685	2,880	805	487,406	0.8
Banco de Ponce	2,769	2,769	...	304,405	0.9	14	14	...	525	525	...	263,569	0.2

FEDERAL RESERVE DISTRICT No. 3

DELAWARE													
Wilmington Trust Co.	10,709	10,706	2	383,653	2.8	29	27	2	10,136	10,117	20	402,850	2.5
Bank of Delaware, Wilmington	5,266	5,260	6	232,749	2.3	19	18	1	3,627	3,620	7	234,343	1.6
Delaware Trust Co., Wilmington	1,878	1,878	...	175,234	1.1	10	10	...	2,834	2,834	...	160,226	1.8
NEW JERSEY													
Bank of New Jersey, Camden	3,965	3,965	...	330,201	1.2	32	32	...	4,373	4,373	...	250,741	1.7
South Jersey National Bank, Camden	1,804	1,804	...	319,373	0.6	27	27	...	1,062	1,062	...	223,459	0.5
First NB of S. Jersey, Egg Harbor Twsp.	1,083	1,083	...	253,581	0.4	13	13	...	629	629	...	214,600	0.3
New Jersey NB, Trenton	1,033	914	119	451,622	0.2	25	20	5	1,272	1,240	32	338,564	0.4
PENNSYLVANIA													
First Pa., Bkg. & Tr. Co., Philadelphia	233,341	227,463	5,878	1,953,420	11.9	636	446	190	209,503	201,730	7,773	1,751,894	12.0
Philadelphia National Bank	229,516	202,141	27,375	1,655,949	13.9	1,065	625	440	223,603	199,773	23,830	1,487,626	15.0
Girard Trust Bank, Philadelphia	124,503	119,004	5,499	1,333,875	9.3	450	275	175	122,876	123,285	9,592	1,295,461	10.3
Fidelity Bank, Rosemont	88,529	78,984	9,545	1,117,251	7.9	411	230	181	66,175	60,312	5,862	1,092,503	6.1
Provident National Bank, Philadelphia	64,650	61,181	3,469	830,034	7.8	362	275	87	50,666	47,955	2,711	758,559	6.7
Central-Penn NB, Bala Cynwyd	16,651	15,894	757	424,595	3.9	103	69	19	22,492	21,841	652	375,162	6.0
First National Bank, Wilkes-Barre	14,110	14,110	...	148,901	9.5	52	52	...	14,488	14,458	...	132,651	10.9
Northeastern Pa. NB&T Co., Scranton	5,572	5,568	4	266,022	2.1	45	44	1	6,475	6,471	4	250,581	2.6
Continental Bank, Norristown	3,305	3,115	190	577,586	0.6	27	24	3	782	740	41	474,055	0.2
United Penn Bank, Wilkes-Barre	2,349	2,349	...	181,422	1.3	5	5	...	252	252	...	158,060	0.2
Industrial Valley B&T Co., Jenkintown	1,219	1,219	...	399,486	0.3	8	8	...	2,627	2,627	...	390,282	0.7
Third NB & Tr. Co., Scranton	818	818	...	89,835	0.9	6	6	...	669	669	...	78,643	0.9

FEDERAL RESERVE DISTRICT No. 4

KENTUCKY													
First Security NB&T Co., Lexington	2,465	2,465	...	149,423	1.6	60	60	...	2,287	2,287	...	143,634	1.6
Second National Bank, Ashland	741	741	...	49,628	1.6	13	13	...	635	635	...	42,751	1.5
OHIO													
National City Bank, Cleveland	114,732	101,851	12,881	1,164,774	9.8	416	328	88	120,993	116,225	4,768	1,135,286	10.7
First National Bank, Cincinnati	80,803	80,053	750	600,516	13.5	...	...	...	79,014	78,957	57	589,663	13.5
Central National Bank, Cleveland	68,452	65,126	3,326	932,892	7.0	269	190	79	53,052	49,745	3,307	930,527	5.7
Cleveland Trust Co.	41,493	39,655	1,838	2,170,489	1.9	...	...	...	38,899	37,032	1,867	1,977,459	2.0
Fifth Third Bank, Cincinnati	38,304	38,102	201	444,339	8.6	252	238	14	38,869	38,418	451	441,616	8.8
Huntington National Bank, Columbus	34,257	33,662	595	409,851	7.0	...	...	...	30,552	30,388	165	462,557	6.6
Central Trust Co., Cincinnati	22,509	21,338	1,171	469,160	4.8	231	180	51	21,150	20,191	958	469,761	4.5
Union Commerce Bank, Cleveland	21,405	15,437	5,968	522,330	4.1	216	149	67	20,031	16,899	3,132	569,763	3.5
Toledo Trust Co.	17,780	17,734	46	394,099	4.5	95	93	2	22,012	22,856	156	400,567	5.7
Society National Bank, Cleveland	15,990	14,826	1,164	725,690	2.2	107	51	56	18,368	17,229	1,139	686,445	2.7

*—All figures exclude deposits in overseas branches unless otherwise noted. Components may not add to totals due to rounding. ‡—Includes subsidiaries.
†—Includes foreign branches. @—Under $500.

1970 CORRESPONDENT BANKING SURVEY

BANKS WITH CORRESPONDENT DEPOSITS OVER $500,000 (,000's omitted in $ figures)*

AS REPORTED SEPT. 30 1970 AND SEPT. 30 OR OCT. 1, 1969

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RESERVE DISTRICT NO. 4, Continued	September 30, 1970 — Due to Banks Total $	Dom. $	Fgn. $	Total Deposits $	D. to B. to T'ti Dep. %	No. Corresp. Banks Total	Dom.	Fgn.	Sept. 30 or Oct. 1, 1969 — Due to Banks Total $	Dom. $	Fgn. $	Total Deps. $	D. to B. to T'ti Dep. %
Winters Nat'l Bank & Tr. Co., Dayton	8,274	8,066	207	427,485	1.9	...	...	...	10,561	10,456	105	379,630	2.8
Ohio National Bank, Columbus	7,876	7,544	332	632,372	1.2	124	114	10	9,055	8,659	396	647,571	1.4
City National Bk. & Tr. Co., Columbus	5,117	5,117	...	375,725	1.4	97	97	...	4,624	4,589	35	358,325	1.3
Ohio Citizens Trust Co., Toledo	4,042	4,042	...	183,545	2.2	67	67	...	5,504	5,504	...	176,411	3.1
First National Bank of Toledo	2,206	1,413	792	205,194	1.1	56	14	42	2,298	1,668	630	203,857	1.1
First National Bank of Dayton	1,131	1,109	22	180,981	0.6	16	15	1	960	960	...	165,174	0.6
Park National Bank, Newark	1,009	1,009	...	2,450	1.2	5	5	...	...	...	...	...	..
First National Bank, Akron	988	959	29	470,179	0.2	13	12	1	415	399	16	449,486	0.1
First National Bank, Canton	974	...	...	141,646	0.7	5	...	...	...	...	...	...	..
Third NB & Tr. Co., Dayton	521	521	...	193,237	0.3	9	9	...	1,115	1,115	...	179,131	0.6
PENNSYLVANIA													
Mellon Nat'l Bk & Tr. Co., Pittsburgh	177,078	...	...	3,771,312	4.7	...	...	...	138,700	129,150	9,550	3,117,057	4.4
Pittsburgh National Bank	56,049	53,159	2,890	1,438,094	3.9	..	...	...	47,661	44,514	3,147	1,357,219	3.5
Western Pennsylvania NB, Pittsburgh	13,706	12,225	1,481	756,810	1.8	..	...	...	11,358	10,268	1,107	740,328	1.5
Union National Bank, Pittsburgh	6,433	....	....	647,211	1.0	..	...	...	6,359	...	...	474,049	1.3
Pennsylvania Bk. & Tr. Co., Titusville	657	657	....	114,263	0.6	2	2	...	297	297	...	104,690	0.3
WEST VIRGINIA													
Wheeling Dollar Savings & Trust Co.	1,075	1,075	....	68,847	1.6	25	25	...	999	999	...	64,880	1.5

FEDERAL RESERVE DISTRICT No. 5

DISTRICT OF COLUMBIA													
Riggs National Bank	35,402	31,005	4,396	851,607	4.2	..	...	...	46,254	42,742	3,512	828,636	5.6
American Security & Trust Co.	22,223	19,731	2,492	680,587	3.3	..	...	...	31,444	29,909	1,535	646,526	4.9
National Bank of Washington, D. C.	4,732	4,338	393	454,609	1.0	35	23	12	19,772	19,502	270	454,446	4.4
Union Trust Co.	3,584	3,584	....	199,153	1.8	16	16	...	3,410	3,410	...	186,782	1.8
First National Bank of Washington	1,084	988	96	118,804	0.9	19	13	6	663	621	42	105,077	0.6
National Savings & Trust Co.	516	516	...	232,631	0.2	10	10	...	485	485	...	221,243	0.2
MARYLAND													
First National Bank, Baltimore	82,364	79,934	2,431	661,143	12.5	323	222	101	86,219	84,143	2,076	603,542	15.9
Maryland National Bank, Baltimore	30,278	28,905	1,373	1,004,316	3.0	196	144	52	28,066	...	...	917,772	3.1
Equitable Trust Co., Baltimore	27,495	25,244	2,252	570,450	4.8	144	128	16	25,409	25,097	312	489,233	5.2
Union Trust Co., Baltimore	19,548	18,653	895	441,781	4.4	138	90	48	25,701	24,850	851	426,616	6.0
Mercantile-Safe Dep. & Tr. Co., Baltimore	8,106	8,074	33	250,678	3.2	..	...	...	7,147	7,096	51	203,649	3.5
American NB of Maryland, Silver Spring	3,732	3,732	....	119,262	3.1	5	5	...	...	...	...	108,206	..
Suburban Trust Co., Hyattsville	512	512	....	534,818	0.1	8	8	...	355	355	...	469,634	0.1
NORTH CAROLINA													
Wachovia B&T Co. NA, Winston-Salem	113,273	98,555	14,718	1,400,179	8.1	452	343	109	99,390	...	...	1,282,991	7.7
North Carolina NB, Charlotte	92,379	91,157	1,214	1,108,640	8.3	301	282	19	92,453	92,221	232	1,014,461	9.1
First Union NB, Charlotte	33,746	33,321	425	903,708	4.3	143	124	19	25,253	24,508	745	852,099	3.0
First-Citizens B&T Co., Smithfield	30,274	30,274	....	627,569	4.8	199	199	...	35,760	35,760	...	607,723	5.9
Branch Banking & Trust Co., Wilson	11,269	11,269	....	217,557	5.2	72	72	...	11,287	11,287	...	203,958	5.5
Northwestern Bank, North Wilkesboro	2,558	2,558	....	459,347	0.6	8	8	...	1,619	1,619	...	411,602	0.4
Southern NB of N. C., Lumberton	943	....	....	179,033	0.5	18	...	...	...	...	...	...	..
SOUTH CAROLINA													
South Carolina NB, Charleston	10,976	9,861	1,115	561,726	2.2	117	104	13	8,927	8,615	312	[illegible]	[illegible]
Bankers Trust Co. of S. C., Greenwood	7,575	7,575	....	187,511	4.0	68	68	...	10,141	10,141	...	169,[illegible]	6.1
Citizens & Southern NB of S. C., Charleston	5,361	5,361	....	396,401	1.8	44	44	...	6,406	6,406	...	279,347	2.3
First National Bank, Columbia	2,594	2,594	....	220,827	1.2	45	45	...	2,772	2,772	...	198,317	1.4
Peoples National Bank, Greenville	702	702	....	88,191	0.8	8	8	...	765	765	...	76,674	1.0
VIRGINIA													
United Va. Bk/State Planters, Richmond	43,737	43,737	....	429,589	10.2	..	...	...	45,805	45,805	...	394,690	11.6
First & Merchants Nat'l Bank, Richmond	40,343	40,190	153	734,231	5.5	222	218	4	40,451	40,100	351	644,685	6.3
Bank of Virginia, Richmond	24,788	24,735	53	356,650	7.0	135	134	1	23,850	23,850	...	323,569	7.4
Virginia National Bank, Norfolk	15,046	14,968	78	678,654	2.2	..	...	...	14,674	14,359	315	724,235	2.0
First National Exchange Bank, Roanoke	18,581	18,581	....	424,036	4.4	181	181	...	20,231	20,231	...	375,041	5.4
Central National Bank, Richmond	8,277	8,277	....	187,194	4.4	..	...	...	10,511	10,511	...	168,631	6.3
Colonial-American NB, Roanoke	3,948	3,948	....	93,191	4.2	21	21	...	4,014	4,014	...	81,528	4.9
Metropolitan National Bank, Richmond	1,048	1,048	....	29,629	3.6	10	10	...	1,169	...	...	24,127	4.3
United Va. Bk/Seaboard Nat'l, Norfolk	967	967	....	134,715	0.8	24	24	...	1,559	1,559	...	145,183	0.4
Fidelity National Bank, Lynchburg	793	793	....	201,346	0.4	16	16	...	593	593	...	187,856	0.3
WEST VIRGINIA													
Charleston National Bank	24,238	24,238	....	144,330	16.8	100	100	...	15,586	15,586	...	128,075	12.2
Kanawha Valley Bank, Charleston	7,674	7,674	....	117,043	6.6	62	62	...	6,804	6,804	...	102,662	6.7
First Huntington National Bank	3,289	3,289	....	82,930	4.0	37	37	...	3,122	3,122	...	79,617	3.9
National Bank of Commerce, Charleston	3,115	3,115	....	53,893	5.8	40	40	...	1,765	1,765	...	42,778	4.1
First National Bank, Bluefield	1,362	1,362	....	37,653	3.6	18	18	...	1,336	1,336	...	37,047	3.6
Union National Bank, Clarksburg	1,180	1,180	....	58,021	2.0	27	27	...	815	815	...	50,764	1.6
Empire National Bank, Clarksburg	982	982	....	31,883	3.1	9	9	...	614	...	...	28,043	2.2

FEDERAL RESERVE DISTRICT No. 6

ALABAMA													
First National Bank, Birmingham	48,466	48,466	....	556,585	8.7	263	263	...	46,119	46,119	...	515,106	9.0
Central Bank & Trust Co., Birmingham	23,365	23,365	....	107,659	21.7	198	198	...	17,809	17,809	...	93,410	19.1
Birmingham Trust National Bank	19,270	19,270	....	305,052	6.3	216	216	...	16,403	16,403	...	282,303	5.8
First National Bank, Montgomery	17,138	17,138	....	179,821	9.5	168	168	...	17,586	17,586	...	172,282	10.2
First National Bank, Mobile	9,564	9,141	422	174,767	5.5	142	120	22	7,834	7,308	526	166,216	4.7
Merchants National Bank, Mobile	8,611	8,406	205	189,186	4.6	116	100	16	8,567	8,240	327	175,655	4.9
First National Bank, Dothan	7,057	....	....	54,567	12.9	32	...	...	5,526	...	...	46,456	12.8
State National Bank, Decatur	3,692	....	....	211,671	1.7	28	...	...	7,836	7,836	...	193,694	3.6
Exchange Security Bank, Birmingham	3,343	3,343	....	144,978	2.3	48	48	...	4,786	4,786	...	133,365	3.6
First National Bank, Anniston	1,051	1,051	....	48,253	2.2	5	5	...	1,249	...	...	47,325	2.6
Union Bank & Trust Co., Montgomery	1,011	1,011	....	89,527	1.1	21	21	...	788	788	...	86,583	0.9

Ohio National Bank, Columbus	7,876	7,544	332	632,372	1.2	124	114	10	9,055	8,859	196	647,371	1.4
City National Bk. & Tr. Co., Columbus	5,117	5,117	...	375,726	1.4	97	97	...	4,624	4,589	35	358,325	1.3
Ohio Citizens Trust Co., Toledo	4,042	4,042	...	185,545	2.2	67	67	...	5,504	5,504	...	176,411	3.1
First National Bank of Toledo	2,206	1,413	792	205,194	1.1	56	14	42	2,298	1,668	630	203,857	1.1
First National Bank of Dayton	1,131	1,109	22	180,981	0.6	16	15	1	960	960	...	165,174	0.6
Park National Bank, Newark	1,009	1,009	...	82,490	1.2	5	5	...	...	...	...	...	..
First National Bank, Akron	938	959	29	470,179	0.2	13	12	1	415	399	16	449,486	0.1
First National Bank, Canton	974	...	...	141,644	0.7	5	...	...	...	...	...	...	..
Third NB & Tr. Co., Dayton	521	521	...	193,287	0.3	9	9	...	1,115	1,115	...	179,131	0.6
PENNSYLVANIA													
Mellon Nat'l Bk & Tr. Co., Pittsburgh	177,078	...	...	3,771,313	4.7	...	...	...	138,700	129,150	9,550	3,117,057	4.4
Pittsburgh National Bank	56,049	53,159	2,890	1,438,094	3.9	..	...	...	47,661	44,514	3,147	1,357,219	3.5
Western Pennsylvania NB, Pittsburgh	13,706	12,225	1,481	756,810	1.8	..	...	...	11,358	10,268	1,107	740,328	1.5
Union National Bank, Pittsburgh	6,433	....	....	647,211	1.0	..	...	...	6,359	...	...	474,049	1.3
Pennsylvania Bk. & Tr. Co., Titusville	657	657	....	114,263	0.6	2	2	...	297	297	...	104,690	0.3
WEST VIRGINIA													
Wheeling Dollar Savings & Trust Co.	1,075	1,075	....	68,847	1.6	25	25	...	999	999	...	64,880	1.5

FEDERAL RESERVE DISTRICT No. 5

DISTRICT OF COLUMBIA													
Riggs National Bank	35,402	31,005	4,396	851,607	4.2	..	...	...	46,254	42,742	3,512	828,636	5.6
American Security & Trust Co.	22,223	19,731	2,492	680,587	3.3	..	...	...	31,444	29,909	1,535	646,526	4.9
National Bank of Washington, D. C.	4,732	4,338	393	454,609	1.0	35	23	12	19,772	19,502	270	454,446	4.4
Union Trust Co.	3,584	3,584	....	199,193	1.8	16	16	...	3,410	3,410	...	186,782	1.8
First National Bank of Washington	1,084	988	96	118,804	0.9	19	13	6	663	621	42	105,077	0.6
National Savings & Trust Co.	516	516	...	232,631	0.2	10	10	...	485	485	...	221,243	0.2
MARYLAND													
First National Bank, Baltimore	82,364	79,934	2,431	661,143	12.5	323	222	101	96,219	94,143	2,076	603,542	15.9
Maryland National Bank, Baltimore	30,278	28,905	1,373	1,004,316	3.0	196	144	52	28,066	...	...	917,772	3.1
Equitable Trust Co., Baltimore	27,496	25,244	2,252	570,450	4.8	144	128	16	25,409	25,097	312	489,233	5.2
Union Trust Co., Baltimore	19,548	18,863	686	441,781	4.4	138	90	48	25,701	24,850	851	426,616	6.0
Mercantile-Safe Dep. & Tr. Co., Baltimore	8,106	8,074	33	250,678	3.2	..	...	...	7,147	7,096	51	203,649	3.5
American NB of Maryland, Silver Spring	3,732	3,732	....	119,262	3.1	6	6	...	...	...	...	108,206	..
Suburban Trust Co., Hyattsville	512	512	....	534,818	0.1	8	8	...	355	355	...	469,634	0.1
NORTH CAROLINA													
Wachovia B&T Co. NA, Winston-Salem	113,273	98,555	14,718	1,400,179	8.1	452	343	109	99,390	...	...	1,282,991	7.7
North Carolina NB, Charlotte	92,370	91,157	1,214	1,108,640	8.3	301	282	19	92,453	92,221	232	1,014,461	9.1
First Union NB, Charlotte	38,746	38,321	425	900,708	4.3	143	124	19	25,253	24,508	745	852,099	3.0
First-Citizens B&T Co., Smithfield	30,274	30,274	....	627,969	4.8	190	190	...	35,760	35,760	...	607,723	5.9
Branch Banking & Trust Co., Wilson	11,269	11,269	....	217,957	5.2	72	72	...	11,207	11,207	...	203,958	5.5
Northwestern Bank, North Wilkesboro	2,558	2,558	....	459,347	0.6	8	8	...	1,619	1,619	...	411,602	0.4
Southern NB of N. C., Lumberton	948	....	....	179,033	0.5	18	...	...	...	...	...	...	..
SOUTH CAROLINA													
South Carolina NB, Charleston	10,976	9,861	1,115	501,724	2.2	117	104	13	8,927	8,615	312	[illegible]	[illegible]
Bankers Trust Co. of S. C., Greenwood	7,575	7,575	....	167,511	4.0	65	65	...	10,141	10,141	...	160,884	6.1
Citizens & Southern NB of S. C., Charleston	5,361	5,361	....	306,401	1.8	44	44	...	6,406	6,406	...	279,347	2.3
First National Bank, Columbia	2,594	2,594	....	220,827	1.2	45	45	...	2,772	2,772	...	198,317	1.4
Peoples National Bank, Greenville	702	702	....	88,191	0.8	8	8	...	765	765	...	76,674	1.0
VIRGINIA													
United Va. Bk/State Planters, Richmond	43,737	43,737	....	429,589	10.2	..	...	...	45,805	45,805	...	394,690	11.6
First & Merchants Nat'l Bank, Richmond	40,343	40,190	153	734,231	5.5	222	218	4	40,451	40,100	351	644,685	6.3
Bank of Virginia, Richmond	24,788	24,735	53	356,650	7.0	135	134	1	23,850	23,850	...	323,569	7.4
Virginia National Bank, Norfolk	19,046	18,968	78	876,654	2.2	..	...	...	14,674	14,359	315	724,235	2.0
First National Exchange Bank, Roanoke	18,581	18,581	....	424,036	4.4	101	101	...	20,231	20,231	...	379,041	5.4
Central National Bank, Richmond	8,277	8,277	....	187,194	4.4	..	...	...	10,511	10,511	...	168,631	6.3
Colonial-American NB, Roanoke	3,948	3,948	....	93,191	4.2	21	21	...	4,014	4,014	...	81,528	4.9
Metropolitan National Bank, Richmond	1,048	1,048	....	29,029	3.6	10	10	...	1,169	...	...	24,127	4.3
United Va. Bk/Seaboard Nat'l, Norfolk	967	967	....	154,715	0.6	24	24	...	1,559	1,559	...	145,183	0.4
Fidelity National Bank, Lynchburg	793	793	....	201,346	0.4	16	16	...	593	593	...	187,856	0.3
WEST VIRGINIA													
Charleston National Bank	24,238	24,238	....	144,330	16.8	100	100	...	15,586	15,586	...	128,075	12.2
Kanawha Valley Bank, Charleston	7,674	7,674	....	117,043	6.6	62	62	...	6,884	6,884	...	102,662	6.7
First Huntington National Bank	3,289	3,289	....	82,530	4.0	37	37	...	3,122	3,122	...	79,617	3.9
National Bank of Commerce, Charleston	3,115	3,115	....	53,893	5.8	40	40	...	1,765	1,765	...	42,776	4.1
First National Bank, Bluefield	1,362	1,362	....	37,653	3.6	18	18	...	1,336	1,336	...	37,047	3.6
Union National Bank, Clarksburg	1,180	1,180	....	58,021	2.0	27	27	...	815	815	...	50,764	1.6
Empire National Bank, Clarksburg	982	982	....	31,888	3.1	9	9	...	614	...	...	28,043	2.2

FEDERAL RESERVE DISTRICT No. 6

ALABAMA													
First National Bank, Birmingham	48,466	48,466	....	556,985	8.7	263	263	...	46,119	46,119	...	515,106	9.0
Central Bank & Trust Co., Birmingham	23,365	23,365	....	107,659	21.7	198	198	...	17,809	17,809	...	93,410	19.1
Birmingham Trust National Bank	19,270	19,270	....	305,052	6.3	216	216	...	16,403	16,403	...	282,303	5.8
First National Bank, Montgomery	17,138	17,138	....	179,821	9.5	168	168	...	17,586	17,586	...	172,282	10.2
First National Bank, Mobile	9,564	9,141	422	174,767	5.5	142	120	22	7,834	7,308	526	166,216	4.7
Merchants National Bank, Mobile	8,611	8,406	205	189,186	4.6	116	100	16	8,567	8,240	327	175,655	4.9
First National Bank, Dothan	7,057	....	....	54,567	12.9	32	...	...	5,526	...	...	46,496	12.8
State National Bank, Decatur	3,692	....	....	211,671	1.7	28	...	...	7,036	7,036	...	193,094	3.6
Exchange Security Bank, Birmingham	3,343	3,343	....	144,978	2.3	48	48	...	4,786	4,786	...	133,365	3.0
First National Bank, Anniston	1,051	1,051	....	48,253	2.2	5	5	...	1,249	...	...	47,325	2.6
Union Bank & Trust Co., Montgomery	1,011	1,011	....	89,927	1.1	21	21	...	785	785	...	86,568	0.9
American National B&T Co., Mobile	858	808	49	55,908	1.5	30	23	7	1,183	1,149	34	51,378	2.3
FLORIDA													
First National Bank, Miami	118,845	111,167	7,777	670,987	17.7	441	279	162	119,758	112,849	6,909	645,333	18.5
Florida National Bank, Jacksonville	53,712	53,579	133	239,518	22.4	186	172	14	65,177	65,083	94	242,798	26.8
Atlantic National Bank, Jacksonville	51,345	51,270	75	254,253	20.2	230	222	8	40,289	40,171	118	260,497	15.5
First National Bank, Tampa	41,675	41,303	372	209,190	19.9	80	71	9	44,595	44,450	145	198,929	22.4
Florida National Bank & Trust Co., Miami	39,668	39,125	543	161,363	24.6	91	84	7	55,522	55,461	61	151,138	36.7
First National Bank, Orlando	37,842	37,842	....	185,349	20.3	67	67	...	34,892	34,892	...	171,938	20.3
Exchange National Bank, Tampa	36,626	36,504	121	187,990	19.5	73	70	3	36,765	36,765	...	168,740	21.8
First National Bank, Fort Lauderdale	33,409	33,409	....	152,426	21.9	56	56	...	35,308	35,308	...	151,457	23.3
Barnett First National Bank, Jacksonville	21,734	....	....	184,072	11.8	169	...	...	19,183	19,183	...	172,331	11.1
Marine Bank & Trust Co., Tampa	18,658	18,006	652	100,605	18.5	89	65	24	13,393	12,975	418	102,328	13.1
City National Bank, Miami	11,250	11,003	247	133,870	8.4	16	10	6	15,400	15,194	206	146,724	10.5
Miami Beach First Nat'l Bank	5,356	5,329	27	144,483	3.7	18	17	1	6,704	6,681	23	128,532	5.2
First National Bank, St. Petersburg, Fla.	4,226	4,226	....	136,272	3.1	20	20	...	6,737	6,712	25	138,109	4.9

*—All figures exclude deposits in overseas branches unless otherwise noted. Components may not add to totals due to rounding. ‡—Includes subsidiaries.
§—Includes foreign branches. ¶—Under $500.

1970 CORRESPONDENT BANKING SURVEY

BANKS WITH CORRESPONDENT DEPOSITS OVER $500,000 (,000's omitted in $ figures)*

AS REPORTED SEPT. 30 1970 AND SEPT. 30 OR OCT. 1, 1969

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RESERVE DISTRICT NO. 7, Continued	September 30, 1970								Sept. 30 or Oct. 1, 1969				
	Due to Banks			Total Deposits	D. to B. to T'tl Dep.	No. Corresp. Banks			Due to Banks			Total Deps.	D. to B. to T'tl Dep.
	Total $	Dom. $	Fgn. $	$	%	Total	Dom.	Fgn.	Total $	Dom. $	Fgn. $	$	%
IOWA													
Central National B&T Co., Des Moines	69,432	69,432	...	195,996	35.4	...	...	...	62,269	62,269	...	181,147	32.6
Iowa-Des Moines National Bank	65,964	65,964	...	268,440	24.6	395	395	...	70,200	70,200	...	225,000	31.2
Merchants National Bank, Cedar Rapids	41,623	41,482	140	154,008	27.0	300	297	3	41,099	41,074	25	142,874	28.8
Security National Bank, Sioux City	17,151	17,151	...	80,970	21.2	114	114	...	14,293	14,293	...	75,637	18.9
First National Bank, Sioux City	10,057	10,057	...	73,334	13.7	78	78	...	8,271	8,271	...	61,200	13.5
National Bank of Waterloo	9,616	9,616	...	66,610	14.4	48	48	...	7,228	7,228	...	59,319	12.2
Northwestern National Bank, Sioux City	9,462	9,462	...	44,407	21.3	...	...	...	8,513	...	...	42,237	20.2
Davenport Bank & Trust Co.	9,095	9,095	...	155,518	5.8	56	56	...	...	...	...	...	..
Toy National Bank, Sioux City	9,087	9,087	...	49,031	18.5	...	...	...	10,534	10,534	...	46,575	22.6
Bankers Trust Co., Des Moines	9,061	9,061	...	123,346	7.3	90	90	...	11,331	11,331	...	126,725	8.9
American Trust & Savings Bank, Dubuque	5,311	5,311	...	63,023	8.4	76	76	...	5,452	...	...	55,489	9.8
First National Bank, Mason City	2,601	2,601	...	49,555	5.2	30	30	...	2,359	2,359	...	47,269	4.9
Union Bank & Trust Co., Ottumwa	1,933	1,933	...	42,911	4.5	24	24	...	2,314	2,314	...	39,624	5.8
National Bank of Des Moines	1,760	1,760	...	20,318	8.7	13	13	...	916	916	...	18,953	4.9
Capital City State Bank, Des Moines	1,587	...	...	38,250	4.1	21	...	...	...	...	...	...	..
Valley Bank & Trust Co., Des Moines	1,199	1,199	...	44,017	2.7	19	19	...	1,508	1,508	...	42,086	3.6
Council Bluffs Savings Bank	872	872	...	47,255	1.8	17	17	...	869	869	...	47,828	1.8
MICHIGAN													
National Bank of Detroit	198,820	185,122	13,699	3,325,626	6.0	695	567	128	199,467	189,863	9,603	3,171,573	6.3
Detroit Bank & Trust Co.	51,098	...	...	1,831,031	2.8	...	...	...	57,490	...	...	1,853,350	3.1
Manufacturers National Bank, Detroit	39,514	35,968	3,546	1,748,228	2.3	301	214	87	38,336	33,047	5,288	1,654,311	2.3
Bank of the Commonwealth, Detroit	14,264	13,054	1,211	1,042,190	1.4	90	57	33	31,642	17,550	14,092	1,126,743	2.8
Michigan Bank NA, Detroit	11,027	10,438	590	632,097	1.7	32	29	3	14,221	13,340	881	568,724	2.5
City National Bank, Detroit	7,441	3,938	3,504	423,452	1.8	76	44	32	5,285	...	...	460,697	1.1
American Bank & Trust Co., Lansing	4,784	4,784	....	153,958	3.1	3	3	...	556	556	...	145,286	0.4
Michigan National Bank, Lansing	4,547	4,268	280	1,070,081	0.4	43	40	3	5,286	5,242	44	1,047,039	0.5
Union Bank & Trust NA, Grand Rapids	2,866	2,866	....	249,153	1.2	27	27	...	2,254	2,254	...	232,350	1.0
Old Kent Bank & Trust Co., Grand Rapids	2,683	2,683	....	534,048	0.5	51	51	...	4,198	4,198	...	506,255	0.8
Second National Bank, Saginaw	1,296	1,296	....	198,883	0.7	33	33	...	2,150	2,150	...	184,424	1.2
Genesee Merchants Bank & Trust Co., Flint	1,073	1,073	....	324,587	0.3	15	15	...	1,047	1,047	...	307,390	0.3
Peoples National Bank & Trust Co., Bay City	915	915	....	136,007	0.7	10	10	...	594	594	...	129,543	0.5
Ann Arbor Bank	829	829	....	132,882	0.6	8	8	...	1,350	1,350	...	126,761	1.1
WISCONSIN													
First Wisconsin National Bank, Milwaukee	161,286	102,863	58,423	1,028,086	15.7	..	...	...	275,367	99,075	176,292	1,034,234	26.6
Marshall & Ilsley Bank, Milwaukee	49,970	49,197	774	418,821	11.9	..	...	...	47,224	46,430	793	360,274	13.1
Marine National Exchange Bank, Milwaukee	38,614	38,047	567	262,986	14.4	..	...	...	37,110	36,596	513	228,281	16.3
Bank of Madison	9,865	9,865	....	60,196	16.4	64	64	...	9,744	9,744	...	57,440	17.0
American City Bank & Trust Co., Milwaukee	8,116	8,054	63	107,262	7.6	30	27	3	...	...	...	...	..
First American National Bank, Wausau	7,085	7,085	....	87,687	8.1	..	...	...	6,552	6,552	...	85,467	7.7
Kellogg-Citizens National Bank, Green Bay	6,082	6,082	....	105,335	5.8	46	46	...	4,054	4,054	...	96,134	4.2
Midland National Bank, Milwaukee	4,253	4,253	....	86,471	4.9	43	43	...	6,289	6,289	...	56,998	11.0
Citizens Bank, Sheboygan	4,230	4,230	....	91,828	4.6	35	35	...	4,179	4,179	...	90,305	4.6
First National Bank & Trust Co., Racine	1,306	1,306	....	81,522	1.6	5	5	...	1,331	1,331	...	82,132	1.6
Security First National Bank, Sheboygan	1,215	1,215	....	61,741	2.0	17	17	...	1,011	1,011	...	55,082	1.8
First National Bank of Wauwesha	869	....	....	94,408	0.9	10	...	...	726	726	...	86,831	0.8
First Wisconsin National Bank, Madison	850	850	....	166,652	0.5	22	22	...	913	913	...	141,948	0.6
Beloit State Bank	538	538	....	51,582	1.0	3	3	...	200	200	...	49,425	0.4
American Bank & Trust Co., Racine	504	504	....	42,172	1.2	3	3	...	898	898	...	38,892	2.3

FEDERAL RESERVE DISTRICT NO. 8

ARKANSAS													
Worthen Bank & Trust Co., Little Rock	29,787	29,787	....	186,129	15.8	215	215	...	27,457	27,457	...	170,172	16.1
First National Bank, Little Rock	22,622	22,622	....	121,844	18.6	160	160	...	22,387	22,387	...	116,621	19.2
Commercial National Bank, Little Rock	14,860	14,860	....	72,307	20.6	151	151	...	15,084	15,084	...	67,406	22.4
Union National Bank, Little Rock	10,803	10,803	....	80,957	12.4	159	159	...	18,521	18,521	...	113,163	16.4
Simmons First National Bank, Pine Bluff	8,389	8,389	....	77,687	10.8	97	97	...	7,336	7,336	...	70,688	10.4
State First National Bank, Texarkana	5,351	5,351	....	60,071	7.9	43	43	...	4,824	4,824	...	58,651	8.2
First National Bank, Fort Smith	3,495	3,495	....	62,107	5.6	32	32	...	2,948	2,948	...	54,857	5.4
National Bank of Commerce, Pine Bluff	3,202	....	....	48,429	6.6	54	...	...	3,391	3,391	...	44,472	7.6
Merchants National Bank, Fort Smith	2,645	....	....	41,794	6.3	31	...	...	2,484	2,484	...	38,434	6.5
City National Bank, Fort Smith	2,575	2,575	....	35,964	7.2	15	15	...	2,822	2,822	...	33,756	8.3
ILLINOIS													
National Stock Yards National Bank	107,819	107,819	....	124,238	86.8	669	669	...	120,560	120,560	...	137,971	87.4
First Bank & Trust Co., Mt. Vernon	950	...	...	37,983	2.5	14	...	...	891	...	...	36,932	2.4
Mercantile Trust & Savings Bank, Quincy	891	891	....	35,471	2.3	23	23	...	923	923	...	36,554	2.5
INDIANA													
National City Bank, Evansville	7,630	7,630	....	72,822	10.5	..	...	...	8,175	8,175	...	73,630	11.1
Old National Bank, Evansville	5,778	5,778	....	131,077	4.4	74	74	...	5,813	5,813	...	131,388	4.4
Citizens National Bank, Evansville	4,703	4,703	....	104,907	4.5	43	43	...	4,101	...	...	102,274	4.0
KENTUCKY													
Citizens Fidelity B&T Co., Louisville	98,212	98,212	....	460,754	21.3	437	437	...	109,130	109,080	50	425,751	25.6
First National Bank, Louisville	51,788	51,788	....	417,586	12.4	...	...	...	46,099	46,099	...	396,649	11.6
Louisville Trust Co.	23,097	23,069	28	127,838	18.1	225	224	1	22,179	22,169	10	118,330	18.7
Bank of Louisville	5,492	5,492	....	199,084	2.8	133	133	...	1,735	1,735	...	186,324	0.9
Owensboro National Bank	594	594	....	59,608	1.0	16	16	...	250	250	...	55,834	0.4
MISSOURI													
First National Bank, St. Louis	166,479	165,187	1,292	747,835	22.3	887	850	37	173,688	173,321	367	726,727	23.9
Mercantile Trust Co. NA, St. Louis	153,634	150,709	2,925	885,492	17.3	1,104	1,051	53	156,688	154,766	1,922	901,752	17.4
Bank of St. Louis	35,022	35,022	....	160,388	21.8	233	233	...	36,187	36,187	...	161,825	22.3
Boatmen's National Bank, St. Louis	27,414	27,386	29	274,286	10.0	..	...	...	25,323	25,287	36	265,448	9.5
Union National Bank, Springfield	9,854	9,854	....	93,058	10.6	78	78	...	10,442	10,442	...	92,434	11.3
St. Louis County Nat'l Bank, Clayton	3,320	3,320	....	150,789	2.2	16	16	...	3,892	3,892	...	141,957	2.7
Tower Grove Bank & Trust Co., St. Louis	1,999	1,999	....	120,660	1.7	20	20	...	1,360	1,360	...	117,180	1.2
Manchester Bank of St. Louis	1,618	1,618	....	86,918	1.7	23	23	...	1,538	1,538	...	86,595	1.8

[illegible] National Bank	65,964	65,964	...	268,440	24.6	399	399	...	70,200	70,200	...	225,000	31.2
Merchants National Bank, Cedar Rapids	41,623	41,482	140	154,008	27.0	300	297	3	41,099	41,074	25	142,874	28.8
Security National Bank, Sioux City	17,151	17,151	...	80,970	21.2	114	114	...	14,293	14,293	...	75,637	18.9
First National Bank, Sioux City	10,057	10,057	....	73,334	13.7	78	78	...	8,271	8,271	...	61,200	13.5
National Bank of Waterloo	9,616	9,616	...	66,610	14.4	48	48	...	7,228	7,228	...	59,319	12.2
Northwestern National Bank, Sioux City	9,462	9,462	...	44,407	21.3	...	...	...	8,513	...	...	42,237	20.2
Davenport Bank & Trust Co.	9,095	9,095	...	155,518	5.8	56	56	...	...	...	...	...	..
Toy National Bank, Sioux City	9,087	9,087	...	49,031	18.5	...	...	...	10,534	10,534	...	46,575	22.6
Bankers Trust Co., Des Moines	9,061	9,061	...	123,346	7.3	90	90	...	11,331	11,331	...	126,725	8.9
American Trust & Savings Bank, Dubuque	5,311	5,311	...	63,023	8.4	76	76	...	5,452	...	...	55,489	9.8
First National Bank, Mason City	2,601	2,601	...	49,555	5.2	30	30	...	2,359	2,359	...	47,869	4.9
Union Bank & Trust Co., Ottumwa	1,933	1,933	....	42,911	4.5	24	24	...	2,314	2,314	...	39,624	5.8
National Bank of Des Moines	1,760	1,760	...	20,318	8.7	13	13	...	916	916	...	18,953	4.9
Capital City State Bank, Des Moines	1,587	...	...	38,250	4.1	21	...	...	...	...	...	...	..
Valley Bank & Trust Co., Des Moines	1,199	1,199	...	44,017	2.7	19	19	...	1,508	1,508	...	42,086	3.6
Council Bluffs Savings Bank	872	872	...	47,255	1.8	17	17	...	869	869	...	47,828	1.8
MICHIGAN													
National Bank of Detroit	198,820	185,122	13,699	3,325,626	6.0	695	567	128	199,467	189,863	9,603	3,171,573	6.3
Detroit Bank & Trust Co.	51,098	....	....	1,831,031	2.8	..	....	....	57,490	....	....	1,853,350	3.1
Manufacturers National Bank, Detroit	39,514	35,968	3,546	1,748,228	2.3	301	214	87	38,336	33,047	5,288	1,654,311	2.3
Bank of the Commonwealth, Detroit	14,264	13,054	1,211	1,042,190	1.4	90	57	33	31,642	17,550	14,092	1,126,743	2.9
Michigan Bank NA, Detroit	11,027	10,438	590	632,097	1.7	32	29	3	14,221	13,340	881	568,724	2.5
City National Bank, Detroit	7,441	3,938	3,504	423,452	1.8	76	44	32	5,285	...	...	460,697	1.1
American Bank & Trust Co., Lansing	4,784	4,784	....	153,958	3.1	3	3	...	556	556	...	145,286	0.4
Michigan National Bank, Lansing	4,547	4,268	280	1,070,081	0.4	43	40	3	5,286	5,242	44	1,047,039	0.5
Union Bank & Trust NA, Grand Rapids	2,866	2,866	....	249,153	1.2	27	27	...	2,254	2,254	...	232,350	1.0
Old Kent Bank & Trust Co., Grand Rapids	2,683	2,683	....	534,048	0.5	51	51	...	4,198	4,193	...	506,295	0.8
Second National Bank, Saginaw	1,296	1,296	....	198,883	0.7	33	33	...	2,150	2,150	...	184,424	1.2
Genesee Merchants Bank & Trust Co., Flint	1,073	1,073	....	324,587	0.3	15	15	...	1,047	1,047	...	307,390	0.3
Peoples National Bank & Trust Co., Bay City	915	915	....	136,007	0.7	10	10	...	594	594	...	129,543	0.5
Ann Arbor Bank	829	829	....	132,882	0.6	8	8	...	1,350	1,350	...	126,761	1.1
WISCONSIN													
First Wisconsin National Bank, Milwaukee	161,286	102,863	58,423	1,028,086	15.7	..	....	...	275,367	99,075	176,292	1,034,234	26.6
Marshall & Ilsley Bank, Milwaukee	49,970	49,197	774	418,821	11.9	..	....	...	47,224	46,430	793	360,274	13.1
Marine National Exchange Bank, Milwaukee	38,614	38,047	567	262,986	14.4	..	....	...	37,110	36,596	513	228,281	16.3
Bank of Madison	9,865	9,865	....	60,196	16.4	64	64	...	9,744	9,744	...	57,440	17.0
American City Bank & Trust Co., Milwaukee	8,116	8,054	63	107,262	7.6	30	27	3	....	....	....	....	..
First American National Bank, Wausau	7,065	7,065	....	87,687	8.1	..	....	...	6,552	6,552	...	85,467	7.7
Kellogg-Citizens National Bank, Green Bay	6,082	6,082	....	105,335	5.8	46	46	...	4,054	4,054	...	96,134	4.2
Midland National Bank, Milwaukee	4,253	4,253	....	86,471	4.9	43	43	...	6,289	6,289	...	56,998	11.0
Citizens Bank, Sheboygan	4,230	4,230	....	91,828	4.6	35	35	...	4,179	4,179	...	90,305	4.6
First National Bank & Trust Co., Racine	1,306	1,306	....	81,522	1.6	5	5	...	1,331	1,331	...	82,132	1.6
Security First National Bank, Sheboygan	1,215	1,215	....	61,741	2.0	17	17	...	1,011	1,011	...	55,082	1.8
First National Bank of Waukesha	669	...	....	94,408	0.9	10	...	...	726	726	...	86,831	0.8
First Wisconsin National Bank, Madison	650	650	....	166,652	0.5	22	22	...	913	913	...	141,948	0.6
Beloit State Bank	538	538	....	51,552	1.0	3	3	...	200	200	...	49,426	0.4
American Bank & Trust Co., Racine	504	504	....	42,172	1.2	3	3	...	898	898	...	38,892	2.3

FEDERAL RESERVE DISTRICT No. 8

ARKANSAS													
Worthen Bank & Trust Co., Little Rock	29,787	29,787	....	186,129	15.8	215	215	...	27,457	27,457	...	170,172	16.1
First National Bank, Little Rock	22,622	22,622	....	121,844	18.6	160	160	...	22,387	22,387	...	116,621	19.2
Commercial National Bank, Little Rock	14,860	14,860	....	72,307	20.6	151	151	...	15,084	15,024	...	67,409	22.4
Union National Bank, Little Rock	10,803	10,803	....	86,957	12.4	199	199	...	18,521	18,521	...	113,163	16.4
Simmons First National Bank, Pine Bluff	8,389	8,389	....	77,687	10.8	97	97	...	7,336	7,336	...	70,668	10.4
State First National Bank, Texarkana	5,351	5,351	....	68,071	7.9	43	43	...	4,824	4,824	...	58,651	8.2
First National Bank, Fort Smith	3,495	3,495	....	62,107	5.6	32	32	...	2,948	2,948	...	54,857	5.4
National Bank of Commerce, Pine Bluff	3,202	....	....	48,429	6.6	54	...	...	3,391	3,391	...	44,472	7.6
Merchants National Bank, Fort Smith	2,645	....	....	41,794	6.3	31	...	...	2,484	2,484	...	38,434	6.5
City National Bank, Fort Smith	2,575	2,575	....	35,964	7.2	15	15	...	2,822	2,822	...	33,756	8.3
ILLINOIS													
National Stock Yards National Bank	107,819	107,819	....	124,238	86.6	669	669	...	120,560	120,560	...	137,971	87.4
First Bank & Trust Co., Mt. Vernon	950	...	...	37,983	2.5	14	...	...	891	...	...	36,932	2.4
Mercantile Trust & Savings Bank, Quincy	891	891	....	38,471	2.3	23	23	...	923	923	...	36,554	2.5
INDIANA													
National City Bank, Evansville	7,630	7,630	....	72,822	10.5	..	....	...	8,175	8,175	...	73,630	11.1
Old National Bank, Evansville	5,778	5,778	....	131,077	4.4	74	74	...	5,813	5,813	...	131,388	4.4
Citizens National Bank, Evansville	4,703	4,703	....	104,907	4.5	43	43	...	4,101	...	...	102,274	4.0
KENTUCKY													
Citizens Fidelity B&T Co., Louisville	98,212	98,212	....	460,754	21.3	437	437	...	109,130	109,080	50	425,751	25.6
First National Bank, Louisville	51,788	51,788	....	417,596	12.4	....	....	...	46,099	46,099	...	396,649	11.6
Louisville Trust Co.	23,097	23,069	28	127,838	18.1	225	224	1	22,179	22,169	10	118,330	18.7
Bank of Louisville	5,492	5,492	....	199,084	2.8	133	133	...	1,735	1,735	...	186,324	0.9
Owensboro National Bank	594	594	....	59,608	1.0	16	16	...	250	250	...	55,834	0.4
MISSOURI													
First National Bank, St. Louis	166,479	165,187	1,292	747,835	22.3	887	850	37	173,688	173,321	367	726,727	23.9
Mercantile Trust Co. NA, St. Louis	153,634	150,709	2,925	885,492	17.3	1,104	1,051	53	156,688	154,766	1,922	901,752	17.4
Bank of St. Louis	35,022	35,022	....	160,388	21.8	233	233	...	36,187	36,187	...	161,525	22.3
Boatmen's National Bank, St. Louis	27,414	27,386	29	274,286	10.0	..	....	....	25,323	25,287	36	265,418	9.5
Union National Bank, Springfield	9,654	9,654	....	93,058	10.6	78	78	...	10,442	10,442	...	92,434	11.3
St. Louis County Nat'l Bank, Clayton	3,320	3,320	....	150,789	2.2	16	16	...	3,892	3,892	...	141,957	2.7
Tower Grove Bank & Trust Co., St. Louis	1,999	1,999	....	120,660	1.7	20	20	...	1,360	1,360	...	117,180	1.2
Manchester Bank of St. Louis	1,618	1,618	....	94,048	1.7	23	23	...	1,538	1,538	...	86,595	1.8
State Bank & Trust Co., Wellston	938	938	....	83,126	1.1	17	17	...	664	664	...	90,262	0.7
TENNESSEE													
First National Bank, Memphis	84,974	80,623	4,351	636,164	13.4	847	749	98	88,241	85,880	2,361	578,565	15.3
Union Planters National Bank, Memphis	68,628	67,695	932	617,877	11.1	..	....	...	75,100	74,033	1,066	564,141	13.3
National Bank of Commerce, Memphis	29,627	29,275	351	217,428	13.7	285	242	43	29,266	28,661	605	200,165	14.6

FEDERAL RESERVE DISTRICT No. 9

MINNESOTA													
Northwestern National Bank, Minneapolis	141,035	138,890	2,145	805,185	17.5	875	825	50	136,792	134,529	2,264	745,483	18.4
First National Bank, Minneapolis	118,273	112,585	5,388	745,914	15.9	1,066	1,002	64	128,603	113,096	15,507	736,417	17.5
First National Bank, St. Paul	74,718	66,192	8,525	652,523	11.5	709	681	28	67,720	66,845	875	550,247	12.3
Marquette National Bank, Minneapolis	41,877	41,799	78	122,498	34.2	477	476	1	42,000	42,000	...	148,279	28.3

*—All figures exclude deposits in overseas branches unless otherwise noted. Components may not add to totals due to rounding. ‡—Includes subsidiaries.
†—Includes foreign branches. #—Under $500.

1970 CORRESPONDENT BANKING SURVEY

BANKS WITH CORRESPONDENT DEPOSITS OVER $500,000 (,000's omitted in $ figures)*

AS REPORTED SEPT. 30 1970 AND SEPT. 30 OR OCT. 1, 1969

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RESERVE DISTRICT NO. 6, Continued	Sept. 30, 1970 Due to Banks Total $	Dom. $	Fgn. $	Total Deposits $	D. to B. to T'tl Dep. %	No. Corresp. Banks Total	Dom.	Fgn.	Sept. 30 or Oct. 1, 1969 Due to Banks Total $	Dom. $	Fgn. $	Total Deps. $	D. to B. to T'tl Dep. %
Citizens National Bank, Orlando	3,778	....	....	70,935	5.3	23	...	...	2,627	...	...	75,181	3.5
Tallahassee Bank & Trust Co.	3,592	3,592	....	40,373	8.9	46	46	...	6,000	6,000	...	37,288	16.1
First National Bank, Pompano Beach	3,561	....	....	65,052	5.5	9	...	...	3,665	...	...	66,674	5.5
American National Bank, Jacksonville	2,472	2,472	....	67,124	3.7	11	11	...	2,666	2,666	...	59,547	4.5
Pan American Bank, Miami	2,060	993	1,067	77,540	2.7	88	14	74	2,151	969	1,182	72,474	3.0
Florida First National Bank, Pensacola	1,687	1,687	....	35,948	4.7	15	15	...	1,255	1,255	...	35,817	3.5
Florida National Bank, Orlando	1,525	1,525	....	60,427	2.5	10	10	...	472	472	...	55,924	0.8
Broward National Bank, Fort Lauderdale	1,414	1,364	49	97,444	1.5	13	11	2	819	784	35	87,665	0.9
Union Trust National Bank, St. Petersburg	1,321	1,321	....	137,068	1.0	20	20	...	830	830	...	126,838	0.7
Central Bank & Trust Co., Miami	1,012	353	659	65,647	1.5	33	7	26	...	...	...	...	..
Atlantic National Bank, West Palm Beach	801	801	....	56,211	1.4	12	12	...	1,051	1,051	...	50,431	2.1
First National Bank, Palm Beach	740	740	....	83,434	0.9	16	16	...	1,065	1,065	...	75,171	1.4
GEORGIA													
Citizens & Southern Nat'l Bk. of Ga., Savannah	109,083‡	106,567‡	2,516‡	1,309,436‡	8.3	799	690	109	95,794‡	93,251‡	2,543‡	1,317,863‡	7.3
First National Bank, Atlanta	85,022	84,537	485	722,737	11.8	680	664	16	89,489	89,008	481	727,662	12.3
Fulton National Bank, Atlanta	81,244	81,244	....	364,670	22.3	...	...	...	67,562	67,562	...	354,317	19.1
Trust Co. of Georgia, Atlanta	42,105‡	41,530‡	575‡	773,125‡	5.4	488	465	23	42,408‡	41,740‡	668‡	712,632‡	6.0
Georgia Railroad Bank & Trust Co., Augusta	7,997	7,997	....	130,747	6.1	65	65	...	6,325	6,325	...	122,951	5.1
First National Bank & Trust Co., Macon	5,882	5,882	....	86,908	6.1	56	56	...	6,111	6,111	...	80,078	6.8
Savannah Bank & Trust Co.	3,329	3,284	45	92,617	3.6	40	36	4	4,017	3,984	33	86,274	4.7
Liberty National B&T Co., Savannah	2,931	2,931	....	59,447	4.9	35	35	...	1,071	1,071	..	53,009	2.0
First National Bank, Columbus	2,128	2,128	....	80,430	2.6	11	11	...	557	...	...	75,214	0.7
National Bank of Ga., Atlanta	2,059	2,059	....	129,354	1.6	35	35	...	1,952	1,952	...	122,571	1.6
Columbus Bank & Trust Co.	1,923	1,923	....	82,942	2.3	17	17	...	1,660	1,660	...	79,742	2.1
Citizens & Southern Bank, Albany	1,693	....	....	50,771	3.3	30	...	...	2,515	...	...	51,112	4.9
LOUISIANA													
National Bank of Commerce, New Orleans	60,533	59,415	1,118	381,097	15.8	353	304	49	52,076	50,905	1,172	323,315	16.1
Whitney National Bank, New Orleans	51,700	46,776	4,924	575,864	9.0	...	...	...	52,765	50,008	2,757	566,343	9.3
Hibernia National Bank, New Orleans	39,990	37,337	2,653	303,905	13.2	297	220	77	45,424	43,095	2,329	278,889	16.3
American Bank & Trust Co., Baton Rouge	38,975	38,975	....	212,159	18.4	157	157	...	32,553	32,553	....	259,375	12.6
Bank of New Orleans & Trust Co.	32,657	32,045	13	166,272	19.0	...	...	...	28,093	28,093	...	148,582	18.9
Guaranty Bank & Trust Co., Alexandria	19,040	19,040	....	81,005	23.5	110	110	...	29,980	29,980	...	84,049	35.7
National American Bank, New Orleans	18,324	18,031	293	174,859	10.5	140	128	12	25,796	25,639	157	200,576	12.9
Louisiana National Bank, Baton Rouge	5,026	5,026	....	182,673	2.8	63	63	...	7,501	7,501	...	163,360	4.6
Fidelity National Bank, Baton Rouge	1,806	1,806	....	128,826	1.4	31	31	...	1,260	1,260	...	119,426	1.1
First National Bank, Lafayette	1,263	....	....	55,284	2.3	21	...	...	1,242	1,242	...	46,478	2.7
City National Bank, Baton Rouge	1,262	....	....	101,299	1.2	29	...	...	1,012	1,012	...	88,572	1.1
MISSISSIPPI													
Deposit Guaranty National Bank, Jackson	48,187	48,187	....	387,631	12.4	224	224	...	43,153	...	...	333,749	12.9
First National Bank, Jackson	28,632	28,632	....	322,365	8.9	220	220	...	35,035	...	...	319,367	11.3
Merchants & Farmers Bank, Meridian	3,213	3,213	....	32,614	9.9	24	24	...	4,094	4,094	...	31,751	12.9
Hancock Bank, Gulfport	1,574	1,574	....	97,940	1.6	9	9	...	...	...	...	...	..
First Mississippi National Bank, Hattiesburg	1,150	1,150	....	73,246	1.6	19	19	...	1,464	1,464	..	67,021	2.2
TENNESSEE													
Third National Bank, Nashville	68,810	68,697	113	469,468	14.7	378	374	4	68,279	67,842	437	445,251	15.3
First American National Bank, Nashville	66,948	66,778	170	560,257	12.0	...	...	...	57,077	56,924	153	484,353	11.8
Hamilton National Bank, Chattanooga	52,658	....	....	259,033	20.4	252	...	...	47,444	47,444	...	232,211	20.4
American Nat'l B&T Co., Chattanooga	27,328	27,328	....	224,102	12.2	127	127	...	24,593	24,593	...	194,669	12.6
Hamilton National Bank, Knoxville	17,416	17,416	....	214,200	8.1	92	92	...	14,978	14,978	...	209,447	7.2
Park National Bank, Knoxville	15,074	15,074	....	152,672	9.8	72	72	...	16,528	16,528	...	145,287	11.4
Commerce Union Bank, Nashville	11,735	11,297	438	322,805	3.5	117	109	8	9,725	9,725	...	279,856	3.5
Hamilton National Bank, Johnson City	3,004	3,004	....	57,742	5.2	13	13	...	3,391	3,391	...	47,200	7.2
First NB of Sullivan Cty., Kingsport	2,172	2,172	....	91,330	2.4	13	13	...	1,764	1,764	...	83,836	2.1

FEDERAL RESERVE DISTRICT No. 7

ILLINOIS													
Continental Illinois Nat'l B&T Co., Chicago	830,140	...	...	4,757,482	17.4	...	...	...	631,413	...	...	4,090,376	15.4
First National Bank, Chicago	326,938	...	...	4,242,074	7.7	...	...	...	309,648	...	...	3,911,035	7.9
Harris Trust & Savings Bank, Chicago	263,597¶	141,233¶	122,364¶	1,620,477¶	16.3	...	...	...	143,037	137,510	5,527	1,352,562	10.6
Northern Trust Co., Chicago	166,689	....	....	1,344,143	12.4	1,144	...	...	166,373	...	...	1,209,433	13.8
American Nat'l Bank & Trust Co., Chicago	68,303	64,735	3,568	668,161	10.2	...	...	...	63,245	60,486	2,758	648,717	9.7
La Salle National Bank, Chicago	44,216	42,749	1,467	401,324	11.0	518	485	33	37,801	36,155	1,646	336,322	11.2
Central National Bank, Chicago	34,501	33,369	1,132	408,405	8.4	313	291	22	28,681	27,371	1,310	368,281	7.8
National Boulevard Bank, Chicago	16,416	16,416	...	213,568	7.7	128	128	...	9,870	9,870	...	183,789	5.4
Beverly Bank, Chicago	15,042	15,042	...	131,272	11.5	...	...	...	12,295	12,295	...	121,342	10.1
Commercial National Bank, Peoria	12,744	12,744	...	182,461	7.0	134	134	...	13,031	13,031	...	166,756	7.8
Drovers National Bank, Chicago	11,482	...	...	175,918	6.5	195	...	...	9,183	...	...	156,794	5.9
Pullman Bank & Trust Co., Chicago	8,119	8,119	...	172,740	4.7	13	13	...	...	...	...	...	..
Milliken National Bank, Decatur	5,442	5,442	...	80,919	6.7	81	81	...	6,907	6,907	...	73,131	9.4
Citizens National Bank, Decatur	3,881	3,881	...	70,715	5.5	110	110	...	4,805	4,805	...	77,304	6.2
First National Bank, Peoria	3,668	3,668	...	68,258	5.4	36	36	...	2,877	2,877	...	59,476	4.8
Jefferson Trust & Savings Bank, Peoria	2,908	2,908	...	68,518	4.2	...	...	...	3,364	3,364	...	64,567	5.2
Springfield Marine Bank	2,637	2,637	...	161,752	1.6	41	41	...	2,182	2,182	...	145,458	1.5
Michigan Avenue National Bank, Chicago	1,848	1,848	...	115,305	1.6	...	...	...	1,041	1,041	...	96,810	1.1
First National Bank, Springfield	1,756	1,756	...	125,275	1.4	45	45	...	1,637	1,637	...	114,675	1.4
Illinois National Bank, Springfield	1,747	1,747	...	95,076	1.8	26	26	...	1,734	1,734	...	85,483	2.0
Mercantile National Bank of Chicago	1,668	1,668	....	57,658	2.9	8	8	...	1,348	1,348	...	50,002	2.7
North Shore National Bank, Chicago	1,536	1,536	...	91,502	1.7	3	3	...	1,248	1,248	...	87,972	1.4
Illinois National B&T Co., Rockford	1,024	1,024	...	114,562	0.9	...	...	...	685	685	...	111,641	0.6
American National B&T Co., Rockford	939	939	...	103,320	0.9	3	3	...	...	...	...	...	..
First National Bank, Joliet	935	935	....	83,266	1.1	10	10	...	912	912	...	80,666	1.1
First National Bank, Rock Island	930	930	...	75,839	1.2	8	8	...	660	660	...	72,921	0.9
Sears Bank & Trust Co., Chicago	508	500	8	183,189	0.3	10	8	2	...	...	...	...	..

Citizens National Bank, Orlando	3,778	....	....	40,373	8.9	46	46	...	6,000	6,000	...	66,674	9.5
Tallahassee Bank & Trust Co.	3,592	3,592	....	65,052	5.5	9	...	...	3,065	....	...	59,547	4.5
First National Bank, Pompano Beach	3,561	....	....	67,134	3.7	11	11	...	2,666	2,666	...	72,474	3.0
American National Bank, Jacksonville	2,472	2,472	....	77,540	2.7	88	14	74	2,151	969	1,182	35,817	3.5
Pan American Bank, Miami	2,060	993	1,067	35,946	4.7	15	15	...	1,255	1,255	...	55,924	0.8
Florida First National Bank, Pensacola	1,687	1,687	....	60,427	2.5	10	10	...	472	472	...	87,665	0.9
Florida National Bank, Orlando	1,525	1,525	....	97,444	1.5	13	11	2	819	784	35	126,838	0.7
Broward National Bank, Fort Lauderdale	1,414	1,364	49	137,068	1.0	20	20	...	830	830	...	....	..
Union Trust National Bank, St. Petersburg	1,321	1,321	....	65,647	1.5	33	7	26	....	....	...	50,431	2.1
Central Bank & Trust Co., Miami	1,012	353	659	56,211	1.4	12	12	...	1,051	1,051	...	75,171	1.4
Atlantic National Bank, West Palm Beach	801	801	....	83,434	0.9	16	16	...	1,065	1,065	...		
First National Bank, Palm Beach	740	740	....										
GEORGIA													
Citizens & Southern Nat'l Bk. of Ga., Savannah	109,083‡	106,567‡	2,516‡	1,309,438‡	8.3	799	690	109	95,794‡	93,251‡	2,543‡	1,317,863‡	7.3
First National Bank, Atlanta	85,022	84,537	485	722,737	11.8	680	664	16	89,489	89,008	481	727,662	12.3
Fulton National Bank, Atlanta	81,244	81,244	....	364,870	22.3	...	...	...	67,562	67,562	...	354,317	19.1
Trust Co. of Georgia, Atlanta	42,105‡	41,530‡	575‡	773,125‡	5.4	488	465	23	42,408‡	41,740‡	668‡	712,632‡	6.0
Georgia Railroad Bank & Trust Co., Augusta	7,997	7,997	....	130,747	6.1	65	65	...	6,325	6,325	...	122,951	5.1
First National Bank & Trust Co., Macon	5,882	5,882	....	86,908	6.1	56	56	...	6,111	6,111	...	90,078	6.8
Savannah Bank & Trust Co.	3,329	3,284	45	92,617	3.6	40	36	4	4,017	3,984	33	86,274	4.7
Liberty National B&T Co., Savannah	2,931	2,931	....	59,447	4.9	35	35	...	1,071	1,071	..	53,009	2.0
First National Bank, Columbus	2,128	2,128	....	80,430	2.6	11	11	...	557	....	...	75,214	0.7
National Bank of Ga., Atlanta	2,059	2,059	....	129,354	1.6	35	35	...	1,952	1,952	...	122,571	1.6
Columbus Bank & Trust Co.	1,923	1,923	....	62,942	2.3	17	17	...	1,660	1,660	...	79,742	2.1
Citizens & Southern Bank, Albany	1,693	....	....	50,771	3.3	30	...	...	2,515	...	...	51,112	4.9
LOUISIANA													
National Bank of Commerce, New Orleans	60,533	59,415	1,118	381,097	15.8	353	304	49	52,076	50,905	1,172	323,315	16.1
Whitney National Bank, New Orleans	51,700	46,776	4,924	575,984	9.0	...	...	...	52,765	50,008	2,757	566,343	9.3
Hibernia National Bank, New Orleans	39,990	37,337	2,653	303,905	13.2	297	220	77	45,424	43,055	2,369	278,889	16.3
American Bank & Trust Co., Baton Rouge	38,975	38,975	....	212,159	18.4	157	157	...	32,553	32,553	...	259,375	13.6
Bank of New Orleans & Trust Co.	32,057	32,045	13	168,273	19.0	...	...	...	28,093	28,093	...	148,882	18.9
Guaranty Bank & Trust Co., Alexandria	19,040	19,040	....	81,005	23.5	110	110	...	29,980	29,980	...	84,649	35.7
National American Bank, New Orleans	18,324	18,031	293	174,859	10.5	140	128	12	25,796	25,639	157	200,576	12.9
Louisiana National Bank, Baton Rouge	5,026	5,026	....	182,673	2.8	63	63	...	7,501	7,501	...	163,560	4.6
Fidelity National Bank, Baton Rouge	1,806	1,806	....	128,826	1.4	31	31	...	1,280	1,280	...	119,426	1.1
First National Bank, Lafayette	1,263	....	....	55,284	2.3	21	...	...	1,242	1,242	...	46,478	2.7
City National Bank, Baton Rouge	1,262	....	....	101,299	1.2	29	...	...	1,012	1,012	...	88,572	1.1
MISSISSIPPI													
Deposit Guaranty National Bank, Jackson	43,187	43,187	....	337,631	12.4	224	224	...	43,153	....	...	333,749	12.9
First National Bank, Jackson	28,632	28,632	....	322,393	8.9	220	220	...	35,035	....	...	310,367	11.3
Merchants & Farmers Bank, Meridian	3,213	3,213	....	32,614	9.9	24	24	...	4,094	4,094	...	31,761	12.9
Hancock Bank, Gulfport	1,574	1,574	....	97,940	1.6	9	9	...	....	....	...	....	..
First Mississippi National Bank, Hattiesburg	1,150	1,150	....	73,246	1.6	19	19	...	1,464	1,464	..	67,021	2.2
TENNESSEE													
Third National Bank, Nashville	68,810	68,697	113	469,468	14.7	378	374	4	68,279	67,842	437	445,251	15.3
First American National Bank, Nashville	66,948	66,778	170	560,257	12.0	...	...	...	57,077	56,924	153	484,853	11.8
Hamilton National Bank, Chattanooga	52,698	....	....	259,633	20.4	252	...	...	47,444	47,444	...	232,211	20.4
American Nat'l D&T Co., Chattanooga	27,328	27,328	....	224,102	12.2	127	127	...	24,593	24,593	...	194,669	12.6
Hamilton National Bank, Knoxville	17,416	17,416	....	214,290	8.1	92	92	...	14,978	14,978	...	208,447	7.2
Park National Bank, Knoxville	15,074	15,074	....	152,672	9.8	72	72	...	16,528	16,528	...	145,287	11.4
Commerce Union Bank, Nashville	11,435	11,297	138	322,805	3.5	117	109	8	9,725	9,725	...	279,656	3.5
Hamilton National Bank, Johnson City	3,004	3,004	....	57,742	5.2	13	13	...	3,391	3,391	...	47,260	7.2
First NB of Sullivan Cty., Kingsport	2,172	2,172	....	91,330	2.4	13	13	...	1,764	1,764	...	83,836	2.1

FEDERAL RESERVE DISTRICT No. 7

ILLINOIS													
Continental Illinois Nat'l B&T Co., Chicago	830,140	...	...	4,757,482	17.4	...	...	...	631,413	...	...	4,080,376	15.4
First National Bank, Chicago	326,939	...	...	4,242,074	7.7	...	...	...	309,648	...	...	3,911,035	7.9
Harris Trust & Savings Bank, Chicago	263,597¶	141,233¶	122,364¶	1,620,477¶	16.3	...	...	...	143,037	137,510	5,527	1,252,562	10.6
Northern Trust Co., Chicago	166,689	...	...	1,344,143	12.4	1,144	...	...	166,373	...	...	1,209,433	13.8
American Nat'l Bank & Trust Co., Chicago	68,303	64,735	3,568	669,161	10.2	...	...	...	63,245	60,486	2,758	648,717	9.7
La Salle National Bank, Chicago	44,216	42,749	1,467	401,324	11.0	518	485	33	37,801	36,155	1,646	336,322	11.2
Central National Bank, Chicago	34,501	33,369	1,132	408,405	8.4	313	291	22	28,681	27,371	1,310	368,281	7.8
National Boulevard Bank, Chicago	16,416	16,416	...	213,568	7.7	128	128	...	9,870	9,870	...	183,789	5.4
Beverly Bank, Chicago	15,042	15,042	...	131,272	11.5	...	...	...	12,295	12,295	...	121,342	10.1
Commercial National Bank, Peoria	12,744	12,744	...	182,461	7.0	134	134	...	13,031	13,031	...	166,756	7.8
Drovers National Bank, Chicago	11,482	...	...	175,918	6.5	195	...	...	9,183	...	...	156,794	5.9
Pullman Bank & Trust Co., Chicago	8,119	8,119	...	172,740	4.7	13	13	...	....	....	...	....	..
Milliken National Bank, Decatur	5,442	5,442	...	80,919	6.7	81	81	...	6,907	6,907	...	73,131	9.4
Citizens National Bank, Decatur	3,881	3,881	...	70,715	5.5	110	110	...	4,805	4,805	...	77,304	6.2
First National Bank, Peoria	3,668	3,668	...	68,258	5.4	36	36	...	2,877	2,877	...	59,476	4.8
Jefferson Trust & Savings Bank, Peoria	2,908	2,908	...	69,518	4.2	...	...	...	3,364	3,364	...	64,907	5.2
Springfield Marine Bank	2,637	2,637	...	161,752	1.6	41	41	...	2,182	2,182	...	145,458	1.5
Michigan Avenue National Bank, Chicago	1,848	1,848	...	115,305	1.6	...	...	...	1,041	1,041	...	96,810	1.1
First National Bank, Springfield	1,756	1,756	...	125,275	1.4	45	45	...	1,637	1,637	...	114,675	1.4
Illinois National Bank, Springfield	1,747	1,747	...	95,076	1.8	26	26	...	1,734	1,734	...	85,483	2.0
Mercantile National Bank of Chicago	1,668	1,668	...	57,658	2.9	8	8	...	1,348	1,348	...	50,002	2.7
North Shore National Bank, Chicago	1,536	1,536	...	91,502	1.7	3	3	...	1,248	1,248	...	87,972	1.4
Illinois National B&T Co., Rockford	1,024	1,024	...	114,562	0.9	...	...	...	685	685	...	111,641	0.6
American National B&T Co., Rockford	939	939	...	103,320	0.9	3	3	...	....	....	...	....	..
First National Bank, Joliet	935	935	...	83,266	1.1	10	10	...	912	912	...	80,666	1.1
First National Bank, Rock Island	930	930	...	75,839	1.2	8	8	...	680	680	...	72,921	0.9
Sears Bank & Trust Co., Chicago	508	500	8	193,189	0.3	10	8	2	501	491	10	180,316	0.3
INDIANA													
Indiana National Bank, Indianapolis	95,254	62,960	32,294	824,306	11.6	365	342	23	65,118	64,340	778	828,056	7.9
American Fletcher Nat'l B&T Co., Indianapolis	75,939	75,009	930	820,389	9.3	350	302	48	73,714	73,714	...	815,587	9.7
Merchants Nat'l B&T Co., Indianapolis	20,597	19,975	622	382,756	5.4	149	136	13	17,426	17,053	373	365,571	4.8
State Exchange Bank, Culver	4,630	4,630	...	47,342	9.8	2	2	...	3,864	3,864	...	44,925	8.6
Lincoln Nat'l B&T Co., Fort Wayne	3,318	3,318	...	241,489	1.4	33	33	...	4,756	4,756	...	224,706	2.1
Fort Wayne National Bank	1,688	1,688	...	147,181	1.1	21	21	...	2,480	2,480	...	143,921	1.7
St. Joseph Valley Bank, Elkhart	1,535	1,535	...	110,950	1.4	11	11	...	696	696	...	104,177	0.7
First Bank & Trust Co., South Bend	1,308	1,308	...	152,658	0.9	13	13	...	1,349	1,349	...	138,919	1.0
Indiana Bank & Trust Co., Fort Wayne	1,085	1,085	...	113,365	1.0	7	7	...	1,258	....	...	109,069	1.2
Lafayette National Bank	1,041	1,041	...	77,057	1.4	10	10	...	1,239	1,239	...	74,570	1.7
Gary National Bank	844	844	...	215,245	0.5	10	10	...	941	941	...	109,427	0.9
Terre Haute First National Bank	757	757	...	97,595	0.8	14	14	...	606	606	...	93,914	0.6
St. Joseph Bank & Trust Co., South Bend	699	691	8	93,176	0.8	8	7	1	629	592	37	77,821	0.8
Bank of Indiana NA, Gary	637	560	77	86,218	0.7	12	11	1	1,107	1,107	...	77,604	1.4
Purdue National Bank, Lafayette	510	510	...	65,357	0.6	11	11	...	531	531	...	61,389	0.7

¶—All figures exclude deposits in overseas branches unless otherwise noted. Components may not add to totals due to rounding. ‡—Includes subsidiaries.

1970 CORRESPONDENT BANKING SURVEY

BANKS WITH CORRESPONDENT DEPOSITS OVER $500,000 (,000's omitted in $ figures)*

AS REPORTED SEPT. 30 1970 AND SEPT. 30 OR OCT. 1, 1969

Compiled by the **American Banker** *and Copyright 1970*

RESERVE DISTRICT NO. 9, Continued	September 30, 1970								Sept. 30 or Oct. 1, 1969				
	Due to Banks			Total Deposits	D. to B. to T'tl Dep.	No. Corresp. Banks			Due to Banks			Total Deps.	D. to B. to T'tl Dep.
	Total $	Dom. $	Fgn. $	$	%	Total	Dom.	Fgn.	Total $	Dom. $	Fgn. $	$	%
American National Bank & Trust Co., St. Paul	37,937	37,719	217	149,178	25.4	...	...	...	43,725	43,524	200	149,622	29.1
Midland National Bank, Minneapolis	14,478	14,365	113	99,400	14.6	137	135	2	13,577	13,411	166	97,320	14.0
First American National Bank, Duluth	6,768	6,679	89	103,643	6.5	96	92	4	7,691	7,200	491	102,038	7.5
Northwestern National Bank, Rochester	6,102	6,102	....	50,273	12.1	29	29	...	2,952	2,952	...	44,394	6.6
Northern City National Bank, Duluth	5,029	4,977	51	105,024	4.8	98	96	2	5,402	5,351	52	92,955	5.8
Northwestern National Bank, St. Paul	2,312	2,709	103	108,392	2.6	33	31	2	4,043	4,026	17	89,169	4.5
Midway National Bank, St. Paul	1,641	1,641	....	51,955	3.2	4	4	...	969	969	...	49,772	1.9
National City Bank of Minneapolis	1,283	1,283	....	56,128	2.3	..	...	...	2,019	2,019	...	55,196	3.7
MONTANA													
Security Trust & Savings Bank, Billings	7,364	...	...	82,651	8.9	72	...	...	9,113	9,113	...	81,017	11.2
Midland National Bank, Billings	4,630	4,596	33	63,894	7.3	34	33	1	4,017	4,017	...	62,403	6.4
Union Bank & Trust Co., Helena	3,896	3,896	...	39,673	9.8	95	95	...	3,323	3,323	...	38,878	8.5
First National B&T Co., Helena	3,277	3,277	...	41,504	7.9	59	59	...	4,615	4,615	...	42,228	10.9
Great Falls National Bank	1,857	1,857	...	55,908	3.3	21	21	...	1,219	1,207	11	45,899	2.5
First National Bank, Great Falls	1,834	1,834	...	68,084	2.7	25	25	...	2,128	2,128	...	69,931	3.0
First Metals B&T Co., Butte	725	725	...	42,279	1.7	17	17	...	1,078	1,078	...	37,515	2.9
Montana Bank, Great Falls	735	[illegible]	12	33,983	2.2	10	9	1	722	694	28	33,565	2.1
NORTH DAKOTA													
Bank of North Dakota, Bismarck	3,419	3,419	...	115,021	3.0	131	131	...	2,318	2,318	...	98,618	2.4
First National Bank & Trust Co., Fargo	2,773	2,773	...	47,809	5.8	...	...	...	3,232	3,232	...	50,762	6.4
First National Bank, Grand Forks	2,373	2,373	...	43,468	5.5	35	34	1	2,753	2,730	23	43,421	6.3
Dakota National Bank, Fargo	1,884	1,884	...	38,418	4.9	43	43	...	1,672	1,672	...	37,548	4.5
Merchants National B&T Co., Fargo	1,691	...	...	48,177	3.5	21	...	...	1,568	1,568	...	45,816	3.6
First National B&T Co., Bismarck	1,195	...	...	40,606	2.9	16	...	...	1,297	...	...	39,405	3.2
SOUTH DAKOTA													
National Bank of S. D., Sioux Falls	3,843	3,843	...	176,705	2.2	38	38	...	3,066	3,066	...	150,994	2.0
First National Bank, Sioux Falls	2,942	2,942	...	45,615	6.5	47	47	...	3,325	3,325	...	43,432	7.6
Northwestern National Bank, Sioux Falls	2,243	2,243	...	129,122	1.7	54	54	...	2,203	2,203	...	111,130	2.0
First National Bank, Aberdeen	1,868	1,868	...	93,895	2.0	37	37	...	2,359	2,359	...	83,767	2.8
WISCONSIN													
First National Bank, La Crosse	1,723	1,723	...	50,201	3.4	34	34	...	1,263	1,263	...	47,033	2.7
First Wisconsin National Bank, Eau Claire	969	969	...	65,333	1.5	8	8	...	45	45	...	58,965	0.8

FEDERAL RESERVE DISTRICT No. 10

COLORADO													
First National Bank, Denver	63,033	62,925	108	522,491	10.2	273	265	8	45,281	45,131	150	489,297	9.3
United Bank of Denver NA	39,642	39,468	165	427,033	9.3	263	259	4	32,245	32,268	76	423,868	7.6
Central Bank & Trust Co., Denver	33,653	33,653	...	219,471	15.3	278	277	1	29,508	29,504	4	201,346	14.7
Colorado National Bank, Denver	21,308	21,308	4	200,291	8.2	162	161	1	24,215	24,201	14	264,240	9.2
American National Bank, Denver	21,125	21,125	...	123,585	17.1	91	91	...	20,127	20,127	...	117,674	17.1
First National Bank, Englewood	6,867	6,867	...	63,244	12.9	5	5	...	5,779	5,779	...	49,373	11.7
First National Bank, Pueblo	5,299	5,299	...	57,142	9.3	42	42	...	5,775	5,775	...	53,220	10.9
First National Bank, Colorado Springs	1,656	1,656	...	95,149	1.7	17	17	...	1,920	1,920	...	88,272	2.2
Exchange National Bank, Colorado Springs	758	758	...	54,573	1.4	6	6	...	945	945	...	50,193	1.9
KANSAS													
Fourth National Bank & Trust Co., Wichita	29,816	29,816	...	251,126	11.9	265	259	...	23,137	23,137	...	242,885	9.6
First National Bank, Wichita	27,934	27,934	...	139,694	21.5	267	267	...	24,247	24,247	...	123,119	19.7
Commercial National Bank, Kansas City	21,858	21,858	...	96,857	22.6	190	190	...	19,858	19,858	...	82,810	24.0
Security National Bank, Kansas City	18,836	18,836	...	82,332	22.9	243	243	...	19,370	19,370	...	80,676	24.0
First National Bank, Topeka	11,299	11,299	...	143,243	7.9	235	235	...	11,179	...	...	146,839	8.0
Hutchinson National B&T Co.	6,854	6,854	...	45,630	15.0	72	72	...	5,574	5,574	...	43,198	12.9
First National Bank, Hutchinson	5,352	5,352	...	36,466	14.7	93	93	...	5,982	5,982	...	34,990	11.5
Union National Bank, Wichita	4,695	4,695	...	124,201	3.8	126	126	...	5,181	5,181	...	86,279	6.0
First National B&T Co., Salina	4,630	4,630	...	25,467	17.5	...	...	...	...	...	...	...	..
Merchants National Bank, Topeka	3,573	3,573	...	94,155	3.8	108	108	...	2,977	2,977	...	89,486	3.3
National Bank of America, Salina	3,199	3,199	...	24,499	12.9	53	53	...	...	...	...	...	..
Exchange National Bank, Atchison	899	899	...	19,518	4.6	22	22	...	1,130	1,130	...	19,093	5.9
MISSOURI													
Commerce Bank, Kansas City	167,428	166,277	1,151	461,620	23.2	1,308	1,278	30	121,617	120,638	1,009	4[illegible],025	24.7
First National Bank, Kansas City	88,483	87,344	1,139	321,414	27.5	840	803	37	100,476	99,128	1,348	229,654	30.3
City Nat'l B&T Co., Kansas City	62,217	60,945	1,272	200,178	20.7	955	930	25	80,465	78,925	1,540	328,526	24.5
Columbia Union Nat'l B&T Co., Kansas City	13,470	13,469	1	83,441	16.2	180	179	1	...	...	...	...	..
American National Bank, St. Joseph	11,733	....	....	83,480	13.8	303	...	...	13,173	...	...	86,086	15.3
Traders National Bank, Kansas City	9,291	9,291	....	71,164	13.1	152	152	...	11,267	11,267	...	73,741	15.3
First National Bank, St. Joseph	8,812	8,812	....	53,237	16.5	101	101	...	9,382	9,382	...	51,6[illegible]	18.2
Mercantile Bank & Trust Co., Kansas City	572	572	....	62,943	0.9	19	19	...	1,317	1,317	...	69,090	2.0
NEBRASKA													
Omaha National Bank	70,362	69,631	371	338,989	20.8	579	568	11	74,710	74,137	574	317,076	23.6
First National Bank & Trust Co., Lincoln	31,825	31,825	....	187,554	17.0	295	295	...	30,375	30,375	...	181,465	16.7
First National Bank, Omaha	29,968	29,963	5	166,425	18.0	346	345	1	27,262	27,252	10	161,804	16.8
National Bank of Commerce, Lincoln	27,414	27,414	....	127,599	21.4	303	303	...	30,653	30,653	...	130,301	23.5
United States National Bank, Omaha	23,359	23,359	....	158,279	14.7	270	270	...	27,460	27,460	...	159,594	17.2
Northwestern National Bank, Omaha	6,112	6,112	....	52,079	11.7	..	...	...	6,521	6,521	...	51,142	12.7
NEW MEXICO													
First National Bank, Albuquerque	11,144	11,144	....	193,587	5.7	51	51	...	7,445	7,445	...	140,109	5.3
Albuquerque National Bank	8,952	8,952	....	245,482	3.6	49	49	...	6,012	6,012	...	204,747	2.9
First National Bank, Santa Fe	872	872	....	50,400	1.7	15	15	...	697	697	...	48,097	1.5
Bank of New Mexico, Albuquerque	540	540	....	87,869	0.6	11	11	...	692	692	...	79,344	0.9
OKLAHOMA													
Liberty National B&T Co., Oklahoma City	64,385	64,284	101	399,193	16.1	377	370	7	66,989	66,714	273	336,987	19.8

American National Bank & Trust Co., St. Paul	37,937	37,719	217	149,170	25.4	..	...	...	41,725	41,594	200	169,922	24.6
Midland National Bank, Minneapolis	14,478	14,365	113	99,400	14.6	137	135	2	13,577	13,411	166	97,320	14.0
First American National Bank, Duluth	6,768	6,679	88	103,643	6.5	96	92	4	7,691	7,200	491	102,038	7.5
Northwestern National Bank, Rochester	6,163	6,163	....	50,273	12.1	29	29	...	2,952	2,952	...	44,394	6.6
Northern City National Bank, Duluth	5,529	4,977	51	105,824	4.8	58	56	2	5,402	5,351	52	92,955	5.8
Northwestern National Bank, St. Paul	2,312	2,709	123	198,392	2.6	33	31	2	4,043	4,026	17	89,169	4.5
Midway National Bank, St. Paul	1,641	1,641	....	51,955	3.2	4	4	...	969	969	...	49,772	1.9
National City Bank of Minneapolis	1,283	1,283	....	56,128	2.3	..	...	...	2,019	2,019	...	55,196	3.7
MONTANA													
Security Trust & Savings Bank, Billings	7,364	...	...	82,691	8.9	72	...	...	9,113	9,113	...	81,017	11.2
Midland National Bank, Billings	4,630	4,596	35	63,894	7.3	34	33	1	4,017	4,017	...	62,493	6.4
Union Bank & Trust Co., Helena	3,696	3,696	...	39,673	9.8	55	55	...	3,323	3,323	...	38,878	8.5
First National B&T Co., Helena	3,277	3,277	...	41,504	7.9	59	59	...	4,615	4,615	...	42,228	10.9
Great Falls National Bank	1,857	1,857	...	55,908	3.3	21	21	...	1,219	1,207	11	48,869	2.5
First National Bank, Great Falls	1,834	1,834	...	68,084	2.7	26	26	...	2,128	2,128	...	69,031	3.0
First Metals B&T Co., Butte	725	725	...	42,279	1.7	17	17	...	1,078	1,078	...	37,515	2.9
Montana Bank, Great Falls	735	722	12	33,983	2.2	10	9	1	722	694	28	33,555	2.1
NORTH DAKOTA													
Bank of North Dakota, Bismarck	3,419	3,419	...	115,021	3.0	131	131	...	2,318	2,318	...	98,618	2.4
First National Bank & Trust Co., Fargo	2,773	2,773	...	47,509	5.8	...	...	...	3,232	3,232	...	50,762	6.4
First National Bank, Grand Forks	2,373	2,373	...	43,460	5.5	35	34	1	2,753	2,730	23	43,421	6.3
Dakota National Bank, Fargo	1,884	1,884	...	38,418	4.9	43	43	...	1,672	1,672	...	37,548	4.9
Merchants National B&T Co., Fargo	1,691	...	...	48,177	3.5	21	...	...	1,559	1,559	...	45,916	3.6
First National B&T Co., Bismarck	1,195	...	...	40,606	2.9	16	...	...	1,297	...	...	39,405	3.2
SOUTH DAKOTA													
National Bank of S. D., Sioux Falls	3,843	3,843	...	176,705	2.2	38	38	...	3,066	3,066	...	150,994	2.0
First National Bank, Sioux Falls	2,942	2,942	...	45,615	6.5	47	47	...	3,325	3,325	...	43,432	7.6
Northwestern National Bank, Sioux Falls	2,243	2,243	...	129,122	1.7	54	54	...	2,293	2,293	...	111,130	2.0
First National Bank, Aberdeen	1,868	1,868	...	93,835	2.0	37	37	...	2,359	2,359	...	83,767	2.8
WISCONSIN													
First National Bank, La Crosse	1,723	1,723	...	50,291	3.4	34	34	...	1,263	1,263	...	47,033	2.7
First Wisconsin National Bank, Eau Claire	969	969	...	65,333	1.5	8	8	...	45	45	...	58,966	0.8

FEDERAL RESERVE DISTRICT No. 10

COLORADO													
First National Bank, Denver	53,030	52,905	125	522,491	10.2	273	265	8	45,201	45,131	120	489,297	9.3
United Bank of Denver NA	39,643	39,468	175	427,033	9.3	263	259	4	32,248	32,268	70	425,063	7.6
Central Bank & Trust Co., Denver	33,653	33,653	...	219,471	15.3	78	277	1	29,504	29,504	0	201,344	14.7
Colorado National Bank, Denver	21,368	21,363	4	260,831	8.2	142	141	1	24,219	24,201	14	264,646	9.2
American National Bank, Denver	21,125	21,125	...	123,385	17.1	91	91	...	20,127	20,127	...	117,674	17.1
First National Bank, Englewood	6,867	6,867	...	53,344	12.9	5	5	...	5,775	5,775	...	49,373	11.7
First National Bank, Pueblo	5,299	5,299	...	57,142	9.3	42	42	...	5,775	5,775	...	53,220	10.9
First National Bank, Colorado Springs	1,656	1,656	...	95,149	1.7	17	17	...	1,920	1,920	...	88,272	2.2
Exchange National Bank, Colorado Springs	758	758	...	54,973	1.4	6	6	...	945	945	...	50,193	1.9
KANSAS													
Fourth National Bank & Trust Co., Wichita	29,816	29,816	...	251,138	11.9	299	299	...	23,137	23,137	...	242,085	9.6
First National Bank, Wichita	27,934	27,934	...	130,694	21.5	267	267	...	24,247	24,247	...	123,119	19.7
Commercial National Bank, Kansas City	21,456	21,456	...	96,857	22.6	190	190	...	19,658	19,658	...	82,810	24.0
Security National Bank, Kansas City	18,836	18,836	...	82,332	22.9	242	242	...	19,370	19,370	...	80,676	24.0
First National Bank, Topeka	11,299	11,299	...	143,243	7.9	225	225	...	11,179	...	...	146,030	8.0
Hutchinson National B&T Co.	6,854	6,854	...	45,630	15.0	72	72	...	5,574	5,574	...	43,198	12.9
First National Bank, Hutchinson	5,352	5,352	...	36,406	14.7	93	93	...	3,982	3,982	...	34,590	11.5
Union National Bank, Wichita	4,695	4,695	...	124,291	3.8	126	126	...	5,181	5,181	...	86,279	6.0
First National B&T Co., Salina	4,630	4,630	...	26,467	17.5	...	...	...	...	...	...	...	...
Merchants National Bank, Topeka	3,573	3,573	...	94,155	3.8	108	108	...	2,577	2,577	...	89,526	3.3
National Bank of America, Salina	3,159	3,159	...	24,499	12.9	53	53	...	...	...	...	...	...
Exchange National Bank, Atchison	899	899	...	19,516	4.6	22	22	...	1,130	1,130	...	19,093	5.9
MISSOURI													
Commerce Bank, Kansas City	187,423	186,277	1,161	461,620	23.3	1,308	1,278	30	121,607	120,698	1,009	490,026	24.7
First National Bank, Kansas City	88,483	87,344	1,139	321,414	27.5	840	803	37	100,476	99,126	1,350	329,654	30.2
City Nat'l B&T Co., Kansas City	62,217	60,945	1,272	300,178	20.7	959	930	29	82,465	78,925	1,540	328,526	24.5
Columbia Union Nat'l B&T Co., Kansas City	13,470	13,469	1	82,441	16.3	180	179	1	...	...	...	...	...
American National Bank, St. Joseph	11,793	....	....	89,466	13.8	302	...	...	12,172	...	...	86,086	15.3
Traders National Bank, Kansas City	9,291	9,291	....	71,164	13.1	152	152	...	11,267	11,267	...	73,761	15.3
First National Bank, St. Joseph	8,812	8,812	....	53,337	16.5	101	101	...	9,382	9,382	...	51,615	18.2
Mercantile Bank & Trust Co., Kansas City	572	572	....	62,943	0.9	15	15	...	1,317	1,317	...	65,050	2.0
NEBRASKA													
Omaha National Bank	70,352	69,631	371	338,989	20.8	579	568	11	74,710	74,137	574	317,076	23.6
First National Bank & Trust Co., Lincoln	31,825	31,825	....	187,954	17.0	295	295	...	33,375	33,375	...	191,465	16.7
First National Bank, Omaha	29,968	29,963	5	166,425	18.0	346	345	1	27,262	27,252	10	161,804	16.8
National Bank of Commerce, Lincoln	27,414	27,414	....	127,859	21.4	303	303	...	30,653	30,653	...	130,201	23.5
United States National Bank, Omaha	23,359	23,359	....	158,379	14.7	270	270	...	27,460	27,460	...	159,594	17.2
Northwestern National Bank, Omaha	6,112	6,112	....	52,079	11.7	..	...	...	6,521	6,521	...	51,142	12.7
NEW MEXICO													
First National Bank, Albuquerque	11,144	11,144	....	193,987	5.7	51	51	...	7,445	7,445	...	140,109	5.3
Albuquerque National Bank	8,952	8,952	....	245,482	3.6	49	49	...	6,812	6,812	...	204,747	2.9
First National Bank, Santa Fe	872	872	....	50,409	1.7	15	15	...	697	697	...	48,097	1.5
Bank of New Mexico, Albuquerque	940	940	....	87,869	0.6	11	11	...	692	692	...	79,344	0.9
OKLAHOMA													
Liberty National B&T Co., Oklahoma City	64,385	64,234	152	399,103	16.1	377	370	7	55,986	55,714	273	336,987	16.6
First National B&T Co., Oklahoma City	55,126	55,063	64	333,528	16.5	344	340	4	74,229	74,231	98	354,324	21.0
First National B&T Co., Tulsa	35,462	35,188	274	355,635	10.0	283	278	5	31,393	31,093	300	317,364	9.9
Fidelity Bank N.A., Oklahoma City	34,656	34,780	76	156,692	22.2	235	232	3	28,141	28,109	32	152,850	18.4
National Bank of Tulsa	27,018	27,018	....	317,968	8.5	227	227	...	28,700	28,700	...	295,909	9.7
Fourth National Bank, Tulsa	11,971	11,971	....	71,535	16.7	146	146	...	11,308	11,308	...	65,602	17.2
WYOMING													
First National Bank, Casper	5,563	5,563	....	70,510	7.8	21	21	...	4,348	4,348	...	61,995	7.0
American National Bank, Cheyenne	3,363	3,363	....	40,071	8.4	31	31	...	3,742	3,742	...	38,240	9.8
First National B&T Co., Cheyenne	2,821	2,821	....	31,089	9.1	22	22	...	3,864	3,864	...	31,522	12.2
Wyoming National Bank, Casper	2,046	....	....	56,551	3.6	12	...	...	1,967	1,967	...	59,159	3.3
Rock Springs National Bank	1,271	1,271	....	29,190	6.3	6	6	...	562	562	...	17,860	3.1

FEDERAL RESERVE DISTRICT No. 11

ARIZONA													
Southern Arizona Bank & Trust Co., Tucson	2,078	1,772	306	219,706	0.9	20	8	12	2,424	1,917	507	203,630	1.2

*Includes deposits in overseas branches unless otherwise noted. Components may not add to totals due to rounding. 3—Includes subsidiaries.

1970 CORRESPONDENT BANKING SURVEY

BANKS WITH CORRESPONDENT DEPOSITS OVER $500,000 (,000's omitted in $ figures)*

AS REPORTED SEPT. 30 1970 AND SEPT. 30 OR OCT. 1, 1969

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RESERVE DISTRICT NO. 11, Continued	September 30, 1970								Sept. 30 or Oct. 1, 1969							
	Due to Banks			Total Deposits	D. to B. to T'tl Dep.	No. Corresp. Banks			Due to Banks			Total Deps.	D. to B. to T'tl Dep.	No. Corresp. Banks		
	Total $	Dom. $	Fgn. $	$	%	Total	Dom.	Fgn.	Total $	Dom. $	Fgn. $	$	%	Total	Dom.	Fgn.
LOUISIANA																
Commercial National Bank, Shreveport	12,205	12,205	....	181,269	6.7	122	122	....	9,469	....	....	163,705	5.8			
Bossier Bank & Trust Co., Bossier City	5,557	5,557	....	50,597	11.0	55	55	....	4,500	4,500	....	43,313	10.4			
Louisiana Bank & Trust Co., Shreveport	2,873	2,873	....	46,859	6.1	40	40	....	4,043	4,043	....	48,090	8.4			
Central Savings B&T Co., Monroe	2,592	2,592	....	84,073	3.1	48	48	....	2,020	2,020	....	69,874	2.9			
Ouachita National Bank, Monroe	1,878	....	....	88,878	2.1	27	....	....	2,050	2,050	....	87,007	2.4			
TEXAS																
Republic National Bank, Dallas	283,767	278,784	4,984	1,434,896	19.8	1,350	1,233	117	212,067	207,172	4,895	1,132,571	18.7			
First National Bank, Dallas	220,519	217,946	2,573	1,269,189	17.4	887	829	58	231,128	227,766	3,362	1,264,226	18.3			
First City Nat'l Bank, Houston	171,162	167,227	3,934	1,025,907	16.7	....	....	....	137,227	133,972	3,256	977,344	14.0			
Texas Commerce Bank NA, Houston	141,363	138,996	2,367	865,896	16.3	561	475	86	99,354	96,195	3,159	879,655	11.3			
Bank of the Southwest NA, Houston	103,080	93,273	9,806	612,899	16.8	....	....	....	82,035	77,078	4,956	565,928	14.5			
Mercantile National Bank, Dallas	70,323	69,775	548	559,259	12.6	485	451	34	64,792	....	....	530,617	12.2			
First National Bank, Fort Worth	59,075	58,464	611	366,998	16.1	355	337	18	55,749	55,269	480	335,031	16.6			
Fort Worth National Bank	57,686	57,428	258	401,156	14.4	401	395	6	61,341	61,186	155	414,229	14.8			
Frost National Bank, San Antonio	50,503	....	....	342,190	14.8	....	....	....	36,916	....	....	297,483	12.4			
Texas Bank & Trust Co., Dallas	47,426	47,397	28	242,230	19.6	364	362	2	51,396	51,396	....	232,326	22.1			
National Bank of Commerce, Dallas	43,826	43,826	....	180,585	24.2	222	222	....	40,909	40,909	....	184,898	22.1			
Continental National Bank, Fort Worth	39,639	....	....	176,937	22.4	225	....	....	39,331	39,331	....	165,230	23.8			
Southern National Bank, Houston	31,756	31,756	....	117,159	27.1	96	96	....	27,282	....	....	98,420	27.7			
Continental Bank, Houston	31,221	31,221	....	96,752	31.3	147	147	....	30,539	30,539	....	94,212	32.4			
National Bank of Commerce, San Antonio	30,830	30,576	254	242,200	12.7	157	132	25	25,531	....	....	229,551	11.3			
Alamo National Bank, San Antonio	23,737	23,737	....	150,196	15.8	102	102	....	25,724	25,724	....	143,596	17.9			
Capital National Bank, Austin	23,378	23,378	....	168,178	13.9	374	374	....	22,034	22,034	....	160,924	13.7			
Capital National Bank, Houston	23,033	22,877	156	115,602	19.9	101	97	4	12,474	12,358	116	87,941	14.2			
Houston National Bank	22,251	20,905	1,347	248,041	9.0	294	254	40	25,669	....	....	245,446	10.5			
First National Bank, Amarillo	20,772	20,772	....	130,743	15.9	130	130	....	16,281	....	....	123,675	13.1			
Amarillo National Bank	19,788	19,788	....	113,909	17.4	118	118	....	14,994	14,994	....	100,831	14.9			
Citizens National Bank, Lubbock	19,437	19,437	....	91,318	21.3	85	85	....	24,198	....	....	84,389	28.7			
El Paso National Bank	17,743	16,223	1,520	162,660	10.9	99	81	18	15,301	13,000	2,301	169,897	9.0			
Austin National Bank	15,989	15,986	3	203,090	7.9	164	162	2	16,530	16,526	3	189,571	8.7			
American National Bank, Austin	15,534	15,534	....	136,846	11.2	255	255	....	13,062	13,062	....	126,895	10.3			
Houston Bank & Trust Co.	15,047	15,027	20	109,826	13.7	78	77	1	9,967	9,967	....	107,333	9.3			
Main Bank of Houston	12,993	12,993	....	53,073	24.5	32	32	....	17,619	17,619	....	51,751	34.0			
State National Bank, El Paso	12,557	12,067	490	154,366	8.2	71	60	11	11,489	10,066	1,423	143,114	8.0			
First National Bank, Lubbock	12,079	12,079	....	123,915	9.7	81	81	....	13,934	13,934	....	116,122	12.0			
Corpus Christi Bank & Trust Co.	11,189	11,189	....	83,905	13.3	37	37	....	3,874	3,874	....	73,711	5.3			
First Wichita National Bank	11,122	11,122	....	142,868	7.8	129	129	....	10,267	10,267	....	139,522	7.4			
First National Bank, Waco	10,451	10,451	....	105,906	9.9	55	55	....	7,344	7,344	....	98,427	7.5			
Lubbock National Bank	9,752	9,752	....	94,971	10.3	63	63	....	9,856	9,856	....	82,435	12.0			
[illegible] Beaumont	9,291	9,291	#	87,501	10.6	61	60	1	7,411	7,411	#	84,461	8.8			
Citizens National Bank, Waco	9,256	9,256	....	107,552	9.2	93	93	....	....	....	....	....	..			
Sharpstown State Bank, Houston	7,666	7,666	....	76,698	10.1	19	19	....	6,508	....	....	73,287	8.9			
Exchange Bank & Trust Co., Dallas	7,342	7,342	....	91,673	8.1	70	70	....	8,089	8,089	....	92,067	8.8			
Medical Center National Bank, Houston	7,281	7,281	....	41,508	17.5	13	13	....	3,323	3,323	....	37,761	8.8			
Corpus Christi State National Bank	7,051	7,051	....	156,569	4.7	61	61	....	5,597	5,597	....	119,640	4.7			
First National Bank, Midland	6,871	6,830	41	160,618	4.3	56	54	2	7,259	....	....	156,595	4.6			
First National Bank, Abilene	6,669	6,669	....	64,864	10.6	49	49	....	6,630	6,630	....	63,473	10.4			
First Security National Bank, Beaumont	6,599	6,599	....	120,597	5.5	43	43	....	6,377	6,377	....	131,703	4.8			
City National Bank, Wichita Falls	6,519	6,519	....	93,423	7.2	79	79	....	6,516	6,516	....	90,452	7.2			
Victoria Bank & Trust Co.	6,480	6,480	3	89,411	7.2	77	76	1	6,095	6,093	2	84,266	7.2			
Tyler Bank & Trust Co.	6,180	6,180	....	43,731	12.7	50	50	....	....	....	....	....	..			
Southwest National Bank, El Paso	5,858	5,727	131	48,067	12.2	26	22	4	2,899	2,753	146	41,143	7.0			
Midland National Bank	5,350	5,350	....	72,008	7.4	39	39	....	5,270	5,270	....	68,653	7.7			
International Bank, Houston	5,209	5,209	....	30,185	17.3	20	20	....	4,700	4,700	....	26,050	18.0			
Fidelity Bank & Trust Co., Houston	5,187	5,187	....	39,811	13.0	....	....	....	....	....	....	....	..			
San Angelo National Bank	5,034	5,034	....	57,475	8.8	26	26	....	5,869	5,869	....	61,534	9.5			
Citizens Bank, Houston	4,797	4,797	....	61,338	7.8	37	37	....	7,116	7,116	....	63,616	11.2			
Citizens National Bank, Abilene	4,374	4,374	....	65,464	6.7	....	....	....	4,257	4,257	....	64,168	6.6			
South Main Bank, Houston	4,251	4,251	....	60,051	7.1	28	28	....	3,901	3,901	....	57,241	6.8			
First National Bank, Killeen	4,191	4,191	....	27,327	15.5	4	4	....	2,010	2,010	....	25,606	8.0			
Peoples National Bank, Tyler	3,941	3,941	....	56,636	7.0	44	44	....	3,197	3,197	....	53,670	6.0			
Harrisburg Bank, Houston	3,637	....	....	44,690	8.1	....	....	....	1,518	1,518	....	39,127	3.9			
Central National Bank, San Angelo	3,634	....	....	49,314	7.4	17	....	....	2,667	2,667	....	47,472	5.6			
First National Bank, San Antonio	3,627	3,627	....	30,323	12.0	23	23	....	3,641	3,641	....	29,351	12.4			
Northside State Bank, Houston	3,469	3,469	....	34,291	10.2	....	....	....	4,745	4,745	....	35,606	13.3			
First National Bank, Odessa	3,289	3,289	....	46,812	7.0	14	14	....	2,687	2,687	....	47,506	5.6			
First National Bank, San Angelo	3,203	3,203	....	34,550	9.3	20	20	....	4,144	4,144	....	37,158	11.1			
Fannin Bank, Houston	3,005	3,005	....	71,636	3.8	20	20	....	....	....	....	....	..			
Citizens First National Bank, Tyler	2,856	2,856	....	52,545	5.4	26	26	....	2,855	....	....	52,020	5.5			
First Pasadena State Bank	2,795	2,795	....	66,691	4.1	19	19	....	2,468	2,468	....	65,813	3.8			
Temple National Bank	2,656	2,656	....	38,043	7.0	27	27	....	2,838	2,838	....	35,103	8.1			
United States National Bank, Galveston	2,630	....	....	41,284	6.4	45	....	....	2,496	....	....	38,910	6.3			
State National Bank, Denison	2,562	....	....	28,768	8.9	37	....	....	2,414	2,414	....	26,771	9.0			
Main Bank & Trust Co., San Antonio	2,321	2,321	....	59,265	3.9	36	36	....	2,487	2,487	....	56,444	4.4			
Preston State Bank, Dallas	2,075	2,075	....	71,921	2.9	67	67	....	1,543	1,543	....	70,345	2.2			
Bexar Cty. National Bank, San Antonio	2,041	2,041	....	59,550	3.4	30	30	....	1,364	1,364	....	57,010	2.4			
Laredo National Bank	1,971	....	....	54,536	3.6	....	....	....	3,482	....	....	52,898	6.6			
Citizens Nat'l B&T Co., Baytown	1,952	....	....	37,107	5.3	18	....	....	1,218	1,218	....	35,663	3.4			
First Bank & Trust Co., Lufkin	1,929	1,929	....	29,545	6.5	17	17	....	1,567	....	....	27,171	5.8			
Grayson Cty. State Bank, Sherman	1,857	1,857	....	19,249	9.5	16	16	....	2,647	2,647	....	19,229	13.8			
First National Bank, Brownsville	1,804	759	1,045	40,007	4.5	29	11	18	1,441	699	742	33,206	4.3			
Plains National Bank of Lubbock	1,747	1,747	....	27,931	6.3	6	6	....	1,078	1,078	....	23,756	4.5			
Bank of Commerce, Fort Worth	1,745	1,745	....	29,605	5.9	20	20	....	1,720	1,720	....	26,551	6.5			
First National Bank, Harlingen	1,735	1,735	....	42,150	4.1	14	14	....	2,175	2,175	....	40,628	5.4			
First Bank & Trust, Bryan	1,717	1,717	....	36,924	4.7	17	17	....	1,423	1,423	....	34,595	4.1			
East End State Bank, Houston	1,605	1,605	....	40,764	3.9	9	9	....	781	....	....	37,260	2.1			
San Jacinto State Bank, Pasadena	1,539	1,539	....	31,060	5.0	14	14	....	1,494	1,494	....	27,666	5.4			
Groos National Bank, San Antonio	1,426	1,426	....	59,309	2.4	17	17	....	1,607	1,607	....	57,197	2.8			
First Victoria National Bank	1,157	1,157	....	60,974	1.9	22	22	....	1,065	1,065	....	58,111	1.8			
River Oaks B&T Co., Houston	1,153	1,153	....	33,146	3.5	5	5	....	1,469	1,469	....	29,776	4.9			
Texas Bank & Trust Co., Jacksonville	1,136	1,136	....	17,554	6.5	11	11	....	....	....	....	....	..			
First National Bank of Paris	1,119	1,119	....	21,597	5.2	15	15	....	1,029	1,029	....	21,407	4.8			
Moody National Bank, Galveston	1,108	1,108	....	41,054	2.7	28	28	....	1,347	1,347	....	42,101	3.2			
Bank of North America, Houston	1,042	1,042	....	18,116	5.8	....	....	....	840	840	....	16,131	5.2			
First National Bank, Corsicana	993	993	....	37,530	2.6	14	14	....	919	919	....	36,827	2.5			
McAllen State Bank	974	974	....	34,491	2.8	9	8	1	1,170	1,169	1	30,962	3.8			
Commercial National Bank, Nacogdoches	968	968	....	20,171	4.8	11	11	....	1,301	1,301	....	18,733	6.9			
Municipal State Bank, Houston	941	941	....	13,626	6.9	5	5	....	942	942	....	13,586	6.9			

RESERVE DISTRICT NO. 11, Continued	September 30, 1970								Sept. 30 or Oct. 1, 1969							
	Due to Banks			Total Deposits	D. to B. to T'tl Dep.	No. Corresp. Banks			Due to Banks			Total Deps.	D. to B. to T'tl Dep.			
	Total $	Dom. $	Fgn. $	$	%	Total	Dom.	Fgn.	Total $	Dom. $	Fgn. $	$	%			
LOUISIANA																
Commercial National Bank, Shreveport	12,205	12,205	....	181,269	6.7	122	122	...	9,460	...	...	163,705	5.8			
Bossier Bank & Trust Co., Bossier City	5,557	5,557	....	50,597	11.0	55	55	...	4,500	4,500	...	43,313	10.4			
Louisiana Bank & Trust Co., Shreveport	2,873	2,873	....	46,859	6.1	40	40	...	4,043	4,043	...	48,090	8.4			
Central Savings B&T Co., Monroe	2,592	2,592	....	84,078	3.1	48	48	...	2,020	2,020	...	69,874	2.9			
Ouachita National Bank, Monroe	1,878	....	....	85,878	2.1	27	...	...	2,050	2,050	...	87,007	2.4			
TEXAS																
Republic National Bank, Dallas	283,767	278,784	4,984	1,434,896	19.8	1,350	1,233	117	212,067	207,172	4,895	1,132,571	18.7			
First National Bank, Dallas	220,519	217,946	2,573	1,269,189	17.4	887	829	58	231,128	227,766	3,362	1,264,626	18.3			
First City Nat'l Bank, Houston	171,162	167,227	3,934	1,025,907	16.7	..	...	...	137,227	133,972	3,256	977,344	14.0			
Texas Commerce Bank NA, Houston	141,363	138,996	2,367	865,896	16.3	561	475	86	99,354	96,195	3,159	879,655	11.3			
Bank of the Southwest NA, Houston	103,080	93,273	9,806	612,899	16.8	..	...	...	82,035	77,078	4,956	565,928	14.5			
Mercantile National Bank, Dallas	70,323	69,775	548	559,259	12.6	485	451	34	64,792	...	...	530,617	12.2			
First National Bank, Fort Worth	59,075	58,464	611	366,998	16.1	355	337	18	55,749	55,269	480	335,031	16.6			
Fort Worth National Bank	57,686	57,428	258	401,156	14.4	401	395	6	61,341	61,186	155	414,229	14.8			
Frost National Bank, San Antonio	50,503	....	....	342,190	14.8	..	...	...	36,916	...	...	297,483	12.4			
Texas Bank & Trust Co., Dallas	47,426	47,397	28	242,230	19.6	364	362	2	51,396	51,396	...	232,326	22.1			
National Bank of Commerce, Dallas	43,826	43,826	....	180,585	24.2	222	222	...	40,909	40,909	...	184,898	22.1			
Continental National Bank, Fort Worth	39,639	....	....	176,937	22.4	225	...	...	39,331	39,331	...	165,230	23.8			
Southern National Bank, Houston	31,756	31,756	....	117,159	27.1	96	96	...	27,282	...	...	98,420	27.7			
Continental Bank, Houston	31,221	31,221	....	96,752	31.3	147	147	...	30,539	30,539	...	94,212	32.4			
National Bank of Commerce, San Antonio	30,830	30,576	254	242,290	12.7	157	132	25	25,531	...	...	225,651	11.3			
Alamo National Bank, San Antonio	23,737	23,737	....	150,196	15.8	102	102	...	25,724	25,724	...	143,596	17.9			
Capital National Bank, Austin	23,378	23,378	....	168,178	13.9	374	374	...	22,034	22,034	...	160,984	13.7			
Capital National Bank, Houston	23,033	22,877	156	115,602	19.9	101	97	4	12,474	12,358	116	87,941	14.2			
Houston National Bank	22,251	20,905	1,347	248,041	9.0	294	254	40	25,669	...	...	245,446	10.5			
First National Bank, Amarillo	20,772	20,772	....	130,743	15.9	130	130	...	16,281	...	...	123,675	13.1			
Amarillo National Bank	19,788	19,788	....	113,909	17.4	118	118	...	14,994	14,994	...	100,831	14.9			
Citizens National Bank, Lubbock	19,437	19,437	....	91,318	21.3	85	85	...	24,198	...	...	84,289	28.7			
El Paso National Bank	17,743	16,223	1,520	162,660	10.9	99	81	18	15,391	13,090	2,301	169,897	9.0			
Austin National Bank	15,989	15,986	3	203,090	7.9	164	162	2	16,530	16,526	3	189,571	8.7			
American National Bank, Austin	15,534	15,534	....	138,846	11.2	255	255	...	13,062	13,062	...	126,895	10.3			
Houston Bank & Trust Co.	15,047	15,027	20	109,826	13.7	78	77	1	9,967	9,967	...	107,333	9.3			
Main Bank of Houston	12,993	12,993	....	53,073	24.5	32	32	...	17,619	17,619	...	51,751	34.0			
State National Bank, El Paso	12,557	12,067	490	154,366	8.2	71	60	11	11,489	10,066	1,423	143,114	8.0			
First National Bank, Lubbock	12,079	12,079	....	123,915	9.7	81	81	...	13,934	13,934	...	116,122	12.0			
Corpus Christi Bank & Trust Co.	11,189	11,189	....	83,905	13.3	37	37	...	3,874	3,874	...	73,711	5.3			
First Wichita National Bank	11,122	11,122	....	142,868	7.8	129	129	...	10,267	10,267	...	139,522	7.4			
First National Bank, Waco	10,451	10,451	....	105,906	9.9	55	55	...	7,344	7,344	...	98,427	7.5			
Lubbock National Bank	9,752	9,752	....	94,971	10.3	63	63	...	9,856	9,856	...	82,435	12.0			
[illegible] National Bank, Beaumont	9,291	9,291	#	87,501	10.6	61	60	1	7,411	7,411	#	85,961	8.9			
Citizens National Bank, Waco	9,256	9,256	....	101,552	9.2	93	93	...	...	...	...	...	...			
Sharpstown State Bank, Houston	7,666	7,666	....	75,698	10.1	19	19	...	6,508	...	...	73,787	8.8			
Exchange Bank & Trust Co., Dallas	7,342	7,342	....	90,673	8.1	70	70	...	8,089	8,089	...	92,067	8.8			
Medical Center National Bank, Houston	7,281	7,281	....	41,598	17.5	13	13	...	3,323	3,323	...	37,761	8.8			
Corpus Christi State National Bank	7,051	7,051	....	156,569	4.7	61	61	...	5,597	5,597	...	119,640	4.7			
First National Bank, Midland	6,871	6,830	41	160,618	4.3	56	54	2	7,259	...	...	156,565	4.6			
First National Bank, Abilene	6,869	6,869	....	64,864	10.6	49	49	...	6,630	6,630	...	63,473	10.4			
First Security National Bank, Beaumont	6,599	6,599	....	120,587	5.5	43	43	...	6,377	6,377	...	131,703	4.8			
City National Bank, Wichita Falls	6,519	6,519	....	90,423	7.2	79	79	...	6,516	6,516	...	90,402	7.2			
Victoria Bank & Trust Co.	6,483	6,480	3	89,411	7.2	77	76	1	6,095	6,093	2	84,266	7.2			
Tyler Bank & Trust Co.	6,180	6,180	....	48,731	12.7	50	50	...	...	...	...	...	...			
Southwest National Bank, El Paso	5,858	5,727	131	48,067	12.2	26	22	4	2,899	2,753	146	41,143	7.0			
Midland National Bank	5,350	5,350	....	72,008	7.4	39	39	...	5,270	5,270	...	68,623	7.7			
International Bank, Houston	5,209	5,209	....	31,185	17.3	20	20	...	4,700	4,700	...	28,050	16.8			
Fidelity Bank & Trust Co., Houston	5,187	5,187	....	39,811	13.0	..	...	...	...	...	...	...	...			
San Angelo National Bank	5,034	5,034	....	57,475	8.8	26	26	...	5,869	5,869	...	61,534	9.5			
Citizens Bank, Houston	4,797	4,797	....	61,338	7.9	37	37	...	7,116	7,116	...	63,616	11.2			
Citizens National Bank, Abilene	4,374	4,374	....	65,464	6.7	..	...	...	4,257	4,257	...	64,168	6.6			
South Main Bank, Houston	4,251	4,251	....	60,051	7.1	28	28	...	3,901	3,901	...	57,741	6.8			
First National Bank, Killeen	4,191	4,191	....	27,327	15.5	4	4	...	2,010	2,010	...	25,006	8.0			
Peoples National Bank, Tyler	3,941	3,941	....	56,636	7.0	44	44	...	3,197	3,197	...	53,670	6.0			
Harrisburg Bank, Houston	3,637	....	....	44,690	8.1	..	...	...	1,518	1,518	...	39,127	3.9			
Central National Bank, San Angelo	3,634	....	....	49,314	7.4	17	...	...	2,667	2,667	...	47,472	5.6			
First National Bank, San Antonio	3,627	3,627	....	30,323	12.0	23	23	...	3,641	3,641	...	29,351	12.4			
Northside State Bank, Houston	3,499	3,499	....	34,291	10.2	..	...	...	4,745	4,745	...	35,696	13.3			
First National Bank, Odessa	3,289	3,289	....	46,812	7.0	14	14	...	2,687	2,687	...	47,906	5.6			
First National Bank, San Angelo	3,203	3,203	....	34,550	9.3	20	20	...	4,144	4,144	...	37,158	11.1			
Fannin Bank, Houston	3,005	3,005	....	78,636	3.8	20	20	...	...	...	...	...	...			
Citizens First National Bank, Tyler	2,856	2,856	....	52,545	5.4	26	26	...	2,855	...	...	52,020	5.5			
First Pasadena State Bank	2,795	2,795	....	68,691	4.1	19	19	...	2,468	2,468	...	65,813	3.8			
Temple National Bank	2,696	2,656	....	38,043	7.0	27	27	...	2,838	2,838	...	35,103	8.1			
United States National Bank, Galveston	2,630	....	....	41,284	6.4	45	...	...	2,456	...	...	38,910	6.3			
State National Bank, Denison	2,562	....	....	28,768	8.9	37	...	...	2,414	2,414	...	26,771	9.0			
Main Bank & Trust Co., San Antonio	2,321	2,321	....	59,265	3.9	36	36	...	2,487	2,487	...	56,444	4.4			
Preston State Bank, Dallas	2,075	2,075	....	71,821	2.9	67	67	...	1,543	1,543	...	70,345	2.2			
Sexar Cty. National Bank, San Antonio	2,041	2,041	....	59,550	3.4	30	30	...	1,364	1,364	...	57,010	2.4			
Laredo National Bank	1,971	....	....	54,536	3.6	..	...	...	3,482	...	...	52,898	6.6			
Citizens Nat'l B&T Co., Baytown	1,552	....	....	37,107	5.3	18	...	...	1,218	1,218	...	35,663	3.4			
First Bank & Trust Co., Lufkin	1,929	1,929	....	29,645	6.5	17	17	...	1,567	...	...	27,171	5.8			
Grayson Cty. State Bank, Sherman	1,837	1,837	....	19,249	9.5	16	16	...	2,647	2,647	...	19,229	13.8			
First National Bank, Brownsville	1,804	759	1,045	40,007	4.5	29	11	18	1,441	699	742	33,206	4.3			
Plains National Bank of Lubbock	1,747	1,747	....	27,931	6.3	6	6	...	1,078	1,078	...	23,796	4.5			
Bank of Commerce, Fort Worth	1,745	1,745	....	29,605	5.9	20	20	...	1,720	1,720	...	26,551	6.5			
First National Bank, Harlingen	1,735	1,735	....	42,150	4.1	14	14	...	2,175	2,175	...	40,628	5.4			
First Bank & Trust, Bryan	1,717	1,717	....	36,924	4.7	17	17	...	1,423	1,423	...	34,505	4.1			
East End State Bank, Houston	1,605	1,605	....	40,764	3.9	9	9	...	781	...	...	37,260	2.1			
San Jacinto State Bank, Pasadena	1,539	1,539	....	31,060	5.0	14	14	...	1,494	1,494	...	27,666	5.4			
Groos National Bank, San Antonio	1,426	1,426	....	59,309	2.4	17	17	...	1,607	1,607	...	57,197	2.8			
First Victoria National Bank	1,157	1,157	....	60,974	1.9	22	22	...	1,065	1,065	...	58,111	1.8			
River Oaks B&T Co., Houston	1,153	1,153	....	33,146	3.5	5	5	...	1,469	1,469	...	29,776	4.9			
Texas Bank & Trust Co., Jacksonville	1,136	1,136	....	17,554	6.5	11	11	...	...	...	...	...	...			
First National Bank of Paris	1,119	1,119	....	21,597	5.2	15	15	...	1,029	1,029	...	21,407	4.8			
Moody National Bank, Galveston	1,108	1,108	....	41,054	2.7	28	28	...	1,347	1,347	...	42,101	3.2			
Bank of North America, Houston	1,042	1,042	....	18,116	5.8	..	...	...	840	840	...	16,131	5.2			
First National Bank, Corsicana	993	993	....	37,530	2.6	14	14	...	919	919	...	36,827	2.5			
McAllen State Bank	974	974	....	34,491	2.8	9	8	1	1,170	1,169	1	30,962	3.8			
Commercial National Bank, Nacogdoches	968	968	....	20,171	4.8	11	11	...	1,301	1,301	...	18,733	6.9			
Meyerland State Bank, Houston	941	941	....	13,628	6.9	5	5	...	942	942	...	13,586	6.9			
Republic National Bank, Houston	941	941	....	21,463	4.4	7	7	...	685	685	...	19,011	3.6			
South Oak Cliff State Bank, Dallas	940	....	....	30,211	3.1	11	...	...	634	634	...	29,585	2.1			
Coleman Bank	934	934	....	11,711	8.0	6	6	...	887	887	...	11,294	7.9			
First National Bank, McAllen	931	334	597	33,483	2.8	12	4	8	1,093	316	777	30,355	3.6			
First National Bank, Port Arthur	884	884	....	64,937	1.4	8	8	...	842	...	...	63,192	1.3			
Merchants National Bank, Port Arthur	840	840	....	55,168	1.5	5	5	...	709	709	...	53,875	1.5			
Citizens State Bank, Dickinson	829	829	....	17,031	4.9	2	...	...	614	614	...	15,692	3.9			
Merchants & Planters Nat'l Bank, Sherman	792	792	....	47,349	1.7	18	18	...	636	636	...	49,003	1.3			
First National Bank, Longview	774	774	....	34,241	2.3	14	14	...	847	847	...	31,144	2.7			
First Bank & Trust Co., Richardson	760	760	....	11,584	6.6	8	8	...	811	...	...	12,967	6.2			
League City State Bank	757	757	....	19,270	4.0	4	4	...	657	657	...	14,463	4.6			

*—All figures exclude deposits in overseas branches unless otherwise noted. Components may not add to totals due to rounding. ‡—Includes subsidiaries.

1970 CORRESPONDENT BANKING SURVEY

BANKS WITH CORRESPONDENT DEPOSITS OVER $500,000 (,000's omitted in $ figures)*

AS REPORTED SEPT. 30 1970 AND SEPT. 30 OR OCT. 1, 1969

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RESERVE DISTRICT NO. 11, Continued	Sept. 30, 1970 Due to Banks Total $	Dom. $	Fgn. $	Total Deposits $	D. to B. to T'tl Dep. %	No. Corresp. Banks Total	Dom.	Fgn.	Sept. 30 or Oct. 1, 1969 Due to Banks Total $	Dom. $	Fgn. $	Total Deps. $	D. to B. to T'tl Dep. %
Central National Bank, Houston	696	....	....	25,358	2.8	4	...	...	452	...	...	21,166	2.1
Pan American Bank, Brownsville	680	87	594	23,108	3.0	21	5	16	887	243	644	22,827	3.9
City National Bank, Bryan	664	664	....	24,327	2.8	11	11	...	529	...	...	21,361	2.5
Brownfield State B&T Co.	649	649	....	13,163	4.9	8	8	...	504	504	...	15,502	3.2
Snyder National Bank	632	632	....	20,721	3.1	7	7	...	752	752	...	18,464	4.1
Commercial State Bank, El Campo	602	602	....	14,711	4.1	9	9	...	656	...	...	14,079	4.7
First Greenville National Bank	590	590	....	26,679	2.2	25	25	...	698	698	...	28,227	2.5
Gulfgate State Bank, Houston	551	551	....	27,831	2.0	3	3	...	551	551	...	25,394	2.2
First State Bank, Bellaire	551	551	....	47,360	1.2	9	9	...	455	455	...	43,039	1.1
First National Bank, Marshall	518	518	....	25,389	2.0	6	6	...	475	475	...	23,084	2.1
Citizens National Bank, Greenville	502	502	....	20,651	2.4	17	17	...	819	819	...	19,099	4.3

FEDERAL RESERVE DISTRICT No. 12

ALASKA

National Bank of Alaska, Anchorage	642	515	127	188,031	0.3	10	7	3	392	349	43	157,414	0.2
First National Bank, Anchorage	639	639	...	158,121	0.4	9	9	...	489	489	...	128,331	0.4

ARIZONA

Valley National Bank, Phoenix	18,067	15,206	2,860	1,451,349	1.2	133	48	85	10,868	8,392	2,276	1,320,196	0.8
First Nat'l Bank of Arizona, Phoenix	4,358	3,548	810	852,312	0.5	62	34	28	4,948	3,973	975	778,834	0.6
Arizona Bank, Phoenix	2,804	2,273	530	395,659	0.7	30	13	17	1,898	1,130	768	332,540	0.6
United Bank of Arizona, Phoenix	1,227	1,227	...	110,127	1.1	10	10	...	580	580	...	102,866	0.6

CALIFORNIA

Bank of America NT&SA, San Francisco	255,873	180,946	74,927	17,732,771	1.4	1,711	553	1,158	254,388	184,825	69,563	16,296,970	1.6
United California Bank, Los Angeles	250,126	215,355	34,831	3,706,719	6.7	811	405	406	150,229	126,949	23,280	3,518,965	4.3
Bank of California NA, San Francisco	130,791	100,957	29,835	1,522,277	8.6	...	...	...	108,379	84,626	23,753	1,500,554	7.2
Crocker-Citizens Nat'l Bank, San Francisco	104,701	77,578	27,123	4,013,343	2.6	818	225	593	188,334	160,503	27,831	4,063,017	4.6
Security Pacific NB, Los Angeles	92,019	73,967	18,053	6,025,831	1.5	480	294	186	105,730	87,850	17,879	5,595,074	1.9
Wells Fargo Bank NA, San Francisco	89,894	71,765	18,129	4,691,238	1.9	679	330	349	120,090	96,177	23,913	4,445,968	2.7
Union Bank, Los Angeles	69,981	58,886	11,095	1,624,551	4.3	265	158	107	57,645	43,538	14,107	1,401,149	4.1
First Western B&T Co., Los Angeles	42,284	23,573	18,711	862,564‡	4.9	247	69	178	32,914	21,184	11,730	781,821	4.2
Hongkong & Shanghai Bnkg. Cp., San Francisco	16,576	702	15,874	73,840	22.5	50	8	42	...	...	...	...	...
Bank of Tokyo of California, San Francisco	8,819	8,352	467	312,817	2.8	16	13	3	12,528	11,958	570	229,809	5.2
Sumitomo Bank of California, San Francisco	8,711	335	8,376	247,220	3.5	7	3	4	11,078	790	10,288	202,383	5.5
California Canadian Bank, San Francisco	6,939	189	6,751	89,404	7.8	14	7	7	5,671	597	5,074	92,329	6.1
City National Bank, Beverly Hills	3,703	3,607	95	356,216	1.0	20	18	2	3,663	3,488	175	326,512	1.1
Central Valley National Bank, Oakland	2,768	2,098	670	227,658	1.2	72	9	63	1,320	456	864	207,738	0.6
Manufacturers Bank, Los Angeles	2,254	1,888	366	68,248	3.3	31	14	17	902	620	282	56,952	1.6
United States Nat'l Bank, San Diego	1,099	85	1,015	465,173	0.2	17	13	4	2,445	2,083	362	462,222	0.6
Southern California First NB, San Diego	992	432	560	577,051	0.2	...	...	...	836	454	382	503,930	0.2

HAWAII

Bank of Hawaii, Honolulu	11,879	7,474	4,405	604,778	2.0	104	43	61	7,572	4,359	3,213	508,520	1.4
First Hawaiian Bank, Honolulu	5,172	2,467	2,705	518,459	1.0	78	44	34	4,980	3,067	1,913	459,938	1.1
Central Pacific Bank, Honolulu	804	361	443	98,824	0.8	9	6	3	272	121	151	80,994	0.3
American Security Bank, Honolulu	962	544	18	107,503	0.5	11	9	2	771	731	40	91,825	0.8

IDAHO

Idaho First National Bank, Boise	4,171	4,171	...	472,060	0.9	31	31	...	2,020	2,020	...	421,450	0.5
Idaho State B. & Trust Co., Pocatello	1,229	1,229	...	85,768	1.4	5	5	...	543	543	...	74,352	0.7
First Security Bank of Idaho NA, Boise	1,003	1,003	...	365,167	0.3	16	16	...	1,300	1,300	...	358,871	0.4
Bank of Idaho, Boise	530	530	...	147,395	0.4	...	...	...	1,178	1,178	...	156,456	0.8

NEVADA

First Nat'l Bank of Nevada, Reno	4,254	4,238	16	571,996	0.7	20	18	2	3,839	3,787	52	504,412	0.8
Valley Bank of Nevada, Las Vegas	1,526	...	...	174,654	0.9	31	...	...	2,226	2,226	...	179,365	1.3

OREGON

First Nat'l Bank of Oregon, Portland	31,682	28,182	3,500	1,637,134	1.9	173	95	78	28,922	21,962	6,960	1,608,500	1.8
United States Nat'l Bank, Portland	20,387	18,457	1,930	1,457,393	1.4	144	105	39	16,565	14,594	1,970	1,476,957	1.1
Oregon Bank, Portland	665	665	#	121,273	0.5	12	11	1	743	733	9	94,638	0.8

UTAH

First Security Bank of Utah NA, Oregon	22,733	22,684	49	479,546	4.7	69	68	1	12,063	11,994	69	467,639	2.6
Continental B&T Co, Salt Lake City	14,606	14,606	...	105,593	13.8	56	56	...	16,146	16,146	...	104,747	15.4
Zions First Nat'l Bank, Salt Lake City	6,835	...	...	243,213	2.8	47	...	...	5,396	5,396	...	201,421	2.7
Walker B&T Co., Salt Lake City	6,795	6,767	28	262,434	2.6	63	61	2	8,147	8,113	34	238,414	3.4
Commercial Security Bank, Ogden	4,777	4,777	...	103,944	4.6	19	19	...	6,518	6,518	...	94,631	6.9

WASHINGTON

Seattle-First National Bank	77,083	40,637	36,451	1,826,003	4.2	195	90	105	60,716	38,410	22,306	1,646,335	3.7
National Bank of Commerce, Seattle	33,066	...	...	1,075,415	3.1	...	...	...	33,477	...	...	1,013,246	3.3
Pacific NB of Washington, Seattle	16,992	15,813	1,179	606,974	2.8	121	97	24	3,106	1,553	1,553	271,700	0.8
Peoples Nat'l Bank of Washington, Seattle	10,439	9,651	837	388,656	2.7	86	78	8	11,096	10,475	621	386,734	2.9
Seattle Trust & Savings Bank	7,278	7,262	16	148,119	4.9	37	36	1	...	...	...	...	...
Old National Bank, Spokane	4,949	4,901	48	295,598	1.7	36	35	1	6,255	6,191	64	260,023	2.4
Washington Trust Bank, Spokane	2,315	2,315	...	82,040	2.8	...	...	...	1,788	1,788	...	82,154	2.2
Puget Sound National Bank, Tacoma	1,746	1,644	101	178,340	1.0	25	22	3	2,391	2,070	321	173,012	1.4

*—All figures exclude deposits in overseas branches unless otherwise noted. Components may not add to totals due to rounding. ‡—Includes subsidiaries. §—Includes foreign branches. #—Under $500.

DX 19

APPLICATION

to

THE BOARD OF GOVERNORS
OF THE FEDERAL RESERVE SYSTEM

by

THE FIRST NATIONAL BANCORPORATION, INC.

FOR PRIOR APPROVAL TO ACQUIRE MORE THAN EIGHTY PERCENT OF THE OUTSTANDING SHARES OF

THE FIRST NATIONAL BANK OF GREELEY
GREELEY, COLORADO

APPLICATION

To the Board of Governors of The Federal Reserve System

by

THE FIRST NATIONAL BANCORPORATION, INC.
(Name of Applicant)

621 Seventeenth Street, Denver, Colorado 80202
(Address)

FOR PRIOR APPROVAL OF ACQUISITION OF BANK SHARES PURSUANT TO SECTION 3(a)(3) OF THE BANK HOLDING COMPANY ACT OF 1956, AS AMENDED

APPLICATION

FOR PRIOR APPROVAL OF ACQUISITION OF BANK SHARES PURSUANT TO SECTION 3(a)(3) OF THE BANK HOLDING COMPANY ACT OF 1956, AS AMENDED

THE FIRST NATIONAL BANCORPORATION, INC.
(Name of Applicant)

(hereinafter called the Applicant), a Corporation organized under the laws of Colorado, and having its principal place of business at Denver, Colorado, hereby applies to the Board of Governors of the Federal Reserve System (hereinafter called the Board), pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956, as amended, for prior approval by the Board of the acquisition by the Applicant of direct or indirect owership, control, or power to vote, of 80% or more of the voting shares of:

THE FIRST NATIONAL BANK OF GREELEY
(Name of Bank)

1025—9th Avenue, Greeley, Colorado 80631
(Address)

(hereinafter called the Bank or Greeley).

For the purpose of obtaining the Board's prior approval of the acquisition of direct or indirect ownership, control, or power to vote of 80% or more of the voting shares of The First National Bank of Greeley, Greeley, Colorado, the Applicant submits herewith as part of this application the following Exhibits prepared in accordance with the general information and instructions as required by Section 3(a)(3) of The Bank Holding Company Act of 1956, as amended.

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Exhibit G-3—Graph Indicating Per Cent of Number of Lien Documents Filed in Greeley's Primary Service Area G-16

The Applicant represents that the information contained in this application is true and complete to the best of its knowledge and belief.

Executed this ..... day of ....., 19..

THE FIRST NATIONAL BANCORPORATION, INC.
(Name of Applicant)

By .....
(Authorized Officer)

ATTEST:

Applicant—	The First National Bancorporation, Inc.
First National—	The First National Bank of Denver.
Bear Valley—	The First National Bank of Bear Valley.
North Glenn—	The First National Bank of North Glenn.
Southglenn—	The First National Bank of Southglenn.
Greeley or Bank—	The First National Bank of Greeley.
Board—	The Board of Governors of The Federal Reserve System.

EXHIBIT A

RESOLUTION:

The Applicant's Board of Directors, or other appropriate governing body, shall authorize the execution and delivery of this application to the Board by a resolution substantially in the form as that which follows:

> RESOLVED, that Eugene H. Adams, the President, and Bruce D. Alexander, the Executive Vice President, of The First National Bancorporation, Inc., (hereinafter called the Applicant), or either of them, be, and they hereby are, authorized and empowered for and in the name and on behalf of the Applicant to execute and deliver to the Board of Governors of the Federal Reserve System, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956, as amended, an application for prior approval by the Board of the acquisition by the Applicant of direct or indirect ownership, control or power to vote, of 80% or more of the voting shares of The First National Bank of Greeley, 1025 Ninth Avenue, Greeley, Colorado 80631.

CERTIFICATE

I HEREBY CERTIFY that the foregoing is a true and correct copy of a resolution adopted by the Board of Directors of The First National Bancorporation, Inc. at a meeting duly called and held at Denver, Colorado on the 26th day of May, 1969, at which meeting a quorum was present and voted.

.....
(Secretary)

(SEAL)

EXHIBIT B

DESCRIPTION OF PROPOSED TRANSACTION

1. *Total number of shares, by class, now outstanding, number of additional shares to be issued, if any, and the par value per share of all such stock.*

Greeley has only one class of shares, being Common Capital Stock, with 150,000 such shares authorized, issued, and outstanding with a $10 par value. There are no additional shares to be issued.

2. *The number of such shares, if any, owned, controlled, or held with power to vote by Bank, either directly or indirectly, showing the cost and carrying value of such shares and describing the manner by which such shares were acquired.*

Greeley as Trustee under Agreement with Mary Elizabeth Smith holds 150 shares of common stock of Greeley. These shares are carried on the books of the Trust Department of Greeley at a value of $4,800 and were acquired via a living, revocable trust on January 11, 1967. Greeley does not have power to vote these shares.

3. *The number of such shares, if any, owned, controlled, or held with power to vote by Applicant and/or by each of its subsidiaries, either directly or indirectly, showing the cost and carrying value of such shares and describing the manner by which such shares were acquired.*

None .....

4. *The number of such shares, if any, held or controlled by trustees, either directly or indirectly, for the benefit of Bank, Applicant, or any of their subsidiaries, or any shareholders or employees of Bank, Applicant, or any of their subsidiaries.*

None

5. *Whether the Applicant or any of its subsidiaries is a borrower or lender with respect to any loan collateraled by shares of the Bank, showing for each such loan the name of the lender, the name of the borrower, the amount of the loan, the number of shares held as collateral, and the dependency of the loan upon the Bank's stock.*

(See "CONFIDENTIAL" attached.)

. Whether any stockholder of Bank, holding 20 per cent or nore of the total shares of voting stock outstanding, has a oan or loans outstanding collateraled by such shares. If o, for each such loan furnish the date of the loan, the name f the lender, the name of the borrower, the original amount nd present balance of the loan, the number of shares of Bank's stock held as collateral, and the dependency of the oan upon the Bank's stock.

No person or company holds 20 per cent or more of the utstanding stock of Greeley.

. The number and class of such shares proposed to be acuired by Applicant and/or by each of its subsidiaries, ndicating:

(a) *The number of shares to be acquired by cash purchase, the amount proposed to be paid per share, and in total, by each purchaser, the method by which the purchase price was determined and the source of the funds to be applied to the purchase;*

None

(b) *The number of shares to be acquired by exchange of stock, the exchange ratio, the method by which t was determined, and the number and class of the shares o be exchanged.*

The number of shares to be acquired by exchange of stock is 80 per cent or more of the 150,000 outstanding shares of common stock of Greeley. The exchange ratio is 1.55 shares of Applicant's stock for each share of Greeley.

The exchange ratio was determined on March 21, 1969, at a special meeting of Applicant's Board of Directors to be as follows: To Book Value Per Share as adjusted below (*), Applicant applied a factor of 217 per cent resulting in an offering price per share of $76.64. Assuming all 150,000 shares of Greeley were offered for exchange, and using that dollar figure half-way between the "Bid" and "Asked" price of Applicant's stock on the Over-the-Counter Securities listing in the Rocky Mountain News on March 21, 1969, 232,242 shares of Applicant's stock would be required. This number of shares, when converted to an exchange ratio, resulted in a ratio of 1.54828 shares of Applicant for each share of Greeley. For convenience, the exchange ratio was rounded to 1.55 shares of Applicant's stock for each share of Greeley. Therefore, the total num-

ber of Applicant's shares to be issued, if all of Greeley's 150,000 shares were tendered for exchange, would be 232,500.

(*) Based upon figures of Greeley as of December 31, 1968, provided to Applicant, the Adjusted Book Value was computed as follows:

Capital Stock		$1,500,000
Surplus		1,500,000
Undivided Profits		1,420,137
Total Capital Funds		$4,420,137
Adjustment to record the difference between the estimated replacement value of fixed assets and the carrying value of such assets:		
Replacement Value =	$1,700,000	
Carrying Value =	945,217	754,783
Adjustment to record the difference between carrying value and approximate market value of U. S. Government and Municipal securities after adjustments for income tax:		
Carrying Value =	$11,189,714	
Market Value =	10,965,920	
Difference =	223,794	
Less Income Tax at 55.632% =	124,501	(99,293)
Reserve for Loan Losses less applicable income tax:		
Total Reserve =	$ 502,119	
Less Income Tax at 55.632% =	279,339	222,780
Total Adjusted Book Value		$5,298,407
Adjusted Book Value Per Share		$35.32

8. *Description of all offers made to the present shareholders of the Bank, indicating whether such offers were made to all shareholders. Submit a copy of any written offer, agreement, or contract, and of any prospectus pertaining to the proposed transaction.*

No offer, agreement or contract has been sent to any shareholder of Greeley nor has a prospectus been prepared pertaining to the proposed transaction. The Board of Directors of Greeley voted unanimously to accept and support a verbal offer by Applicant for 80 per cent or more of the outstanding shares of Greeley on a basis of 1.55 shares of Applicant's stock for each share of Greeley's stock. A copy of the prospectus covering said offer will be filed as a supplement to this application as soon as the Offering becomes effective.

9. *The recent market price or bid and asked prices for the Bank's shares and the Applicant's shares and the date of such quotations. If there is no market for the stock of either, indicate the date of the last sale of any significant block of stock and show the price paid and the number of shares involved.*

Applicant's shares are regularly listed in the Rocky Mountain News Over-the-Counter Securities section and showed a low bid in January, 1969 of $43, a high bid in May, 1969 of $53, a low asked price in January, 1969 of $45, and a high asked price in May, 1969 of $56. As of March 21, 1969, the bid price was $49 and the asked price was $52 per share.

There are few sales of shares of Greeley. During the twelve months prior to March 21, 1969, 7,351 shares were sold at prices ranging from a low of $33.625 per share to a high of $36.50 per share, such price being paid for 250 shares on March 13, 1969.

10. *Information regarding any consideration, monetary or otherwise, that has been paid, given, or offered to any shareholder, director, or officer of the Bank in connection with the consummation of the proposed transaction. Include any formal or informal agreement relating to payment of compensation, after consummation of the proposed transaction, in any form, such as salary, bonus, or retirement allowance, showing to what extent, and in what manner, such information has been disclosed to all shareholders of the Bank.*

None

11. *Information as to which party made the initial approach, Applicant or Bank, with respect to this proposed transaction and an explanation of the manner and nature of this approach.*

The President of Greeley approached the President of Applicant questioning whether Applicant would be interested in acquiring the outstanding shares of Greeley. Subsequent to this approach, the Executive Vice President of Applicant together with legal counsel carried on extensive negotiations with the President and Executive Vice President of Greeley, which negotiations culminated in the unanimous vote of Greeley's Directors to accept and support the contingent verbal offer.

EXHIBIT C

FINANCIAL HISTORY AND CONDITION, MANAGEMENT, AND FUTURE PROSPECTS OF APPLICANT

1. *Financial information, preferably in columnar form, consisting of:*

(a) *A balance sheet of the Applicant, showing separately each principal group or class of assets, liabilities, and capital accounts, and similar in form to that which would be sent to, or prepared for, its shareholders, as of the date of the application, or as of a date not in excess of three months prior thereto provided a summary statement is included of all significant changes in the interim to the date of the application or that there have been no such changes;*

(b) *Debit and credit adjustments, explained by footnotes, to each asset, liability, and capital account relating to each proposed transaction; and*

(c) *The resulting pro forma balance sheet.*

See Exhibit C-1 attached.

2. *Summary analysis of each of Applicant's surplus and undivided profits accounts, and of each reserve account which represents a segregation of surplus or undivided profits, for the current fiscal year to the date of the balance sheet furnished in Item 1(a) above.*

See Exhibit C-2 attached.

3. *Balance sheet of each nonbanking subsidiary as of the date of the Applicant's balance sheet submitted in Item 1(a) above, and a statement showing any significant changes in the subsidiary's financial condition in the interim to the date of the application.*

None

4. *A separate summary analysis of each surplus and undivided profits account, and each reserve account which represents a segregation of earnings, of each nonbanking subsidiary for its current fiscal year to the date of the balance sheet.*

None

5. *Balance sheets of the Applicant, preferably in comparative columnar form, as of the end of each of its most recent*

five fiscal years showing separately each principal group or class of assets, liabilities, and capital accounts. Investments in subsidiaries shall be segregated as to banks and nonbanking organizations.

Reference is made to Annual Report on Form F. R. Y-6 filed with the Board for the fiscal year 1968. (Operations commenced October 18, 1968.)

6. *Summary analysis of each of Applicant's surplus and undivided profits accounts, and of each reserve account which represents a segregation of surplus or undivided profits, for each of its preceding five fiscal years.*

See Number 5. above.

7. *Any plans involving capital improvement programs of Applicant or any of its subsidiaries.*

Applicant, Bear Valley, and North Glenn—NONE.

First National—Because of space limitations, First National is presently undertaking an exhaustive study to determine the feasibility of erecting an addition to its present building or erecting a major office building on a site adjacent to its present building. Depending upon the results of the study, First National, if it does not build on its own site, may either lease space in a new major office building without direct ownership or become a partner with others in such an office building. First National owns or holds options on one entire block adjacent to its present site, which is only one of several locations under consideration. A final decision regarding the location, size, and ownership of the contemplated office building has, as yet, not been made. First National's space needs are estimated at 350,000 square feet by 1975.

Southglenn—Applicant has begun construction of a new banking facility which will be leased to Southglenn on competitive terms. Total cost is estimated not to exceed $310,000, and completion is estimated for spring of 1970.

8. *Copy of the Applicant's latest annual report which was sent to, or prepared for its shareholders.*

See Exhibit C-3 attached.

9. *List of directors, trustees, and principal officers of the Applicant, or persons exercising similar functions, providing information in connection with each as follows:*

(a) *Name and address (city and State only);*

(b) *Number of each class of shares of Applicant and Bank owned of record and segregated as to individual ownership and joint ownership with others;*

(c) *Title of position with the Applicant, and similar connections with each subsidiary bank of the Applicant; and*

(d) *Principal occupation if other than with the Applicant.*

Name, Principal Occupation and Address	Number of Applicant's Shares Owned of Record March 21, 1969		Title or Position with Applicant and Its Subsidiaries
	Individually	*Jointly*	
Montgomery Dorsey Principal Occupation: Senior Partner, Law Firm of Hughes & Dorsey Denver, Colorado	7,094	—	Chairman of the Board and Director of Applicant; Chairman of the Board and Director of First National.
Eugene H. Adams Principal Occupation: Banker Denver, Colorado	8,279	—	President and Director of Applicant; President and Director of First National; Chairman of the Board and Director of Southglenn.
Bruce D. Alexander Principal Occupation: Banker Denver, Colorado	3,860	—	Executive Vice President and Director of Applicant; Senior Vice President of First National; Director of Bear Valley; Director of North Glenn; Vice President of Southglenn.
Lee C. Ashley Principal Occupation: Banker Denver, Colorado	2,766	—	Treasurer and Director of Applicant; Senior Vice President and Cashier of First National; Chairman of the Board of Bear Valley; Vice President and Director of Southglenn.
G. B. Aydelott Principal Occupation: President and Director of The Denver & Rio Grande Western Railroad Company Denver, Colorado	47	—	Director of Applicant; Director of First National.
Richard P. Brown Principal Occupation: Banker Denver, Colorado	2,301	—	Director of Applicant; Senior Vice President and Executive Trust Officer of First National; Director of First National.

Name, Principal Occupation and Address	Number of Applicant's Shares Owned of Record March 21, 1969		Title or Position with Applicant and Its Subsidiaries
	Individually	*Jointly*	
Edward B. Close, Jr. Principal Occupation: Partner, Law Firm of Hughes & Dorsey Denver, Colorado	32	—	Secretary and Director of Applicant; Director of Bear Valley.
John Evans, Jr. Principal Occupation: President, Evans Investment Co. Denver, Colorado	2,091	—	Director of Applicant; Director of First National.
Richard S. Fitzgerald Principal Occupation: Banker Denver, Colorado	41	201	Vice President of Applicant; Vice President of First National.
W. Coles Hudgins Principal Occupation: Executive Vice President of Mountain States Telephone & Telegraph Company Denver, Colorado	161	—	Director of Applicant; Director of First National.
Samuel T. Jones Principal Occupation: President, Sam Jones Agency, Inc. Pueblo, Colorado	—	—	Director of Applicant.
John M. King Principal Occupation: Chairman of the Board, King Resources Co. Denver, Colorado	44,037	—	Director of Applicant; Director of First National.
William H. Kistler Principal Occupation: President, W. H. Kistler Stationery Co. Denver, Colorado	303	—	Director of Applicant; Director of First National.
Oliver P. LeCompte Principal Occupation: President, Transmix Concrete Co. Colorado Springs, Colorado	31	—	Director of Applicant.
Davis W. Moore Principal Occupation: Investments Denver, Colorado	8,579	—	Director of Applicant; Director of First National.

J. Sims Norman, M. D. Principal Occupation: Physician Pueblo, Colorado	15,541	—	Director of Applicant; Director of First National.
Gerald H. Phipps Principal Occupation: President, Gerald H. Phipps, Inc. Denver, Colorado	4,891	—	Director of Applicant; Director of First National.
Donald E. Provost Principal Occupation: President, Stearns-Roger Corp. Denver, Colorado	15	—	Director of Applicant; Director of First National.
Barry Morey Sullivan Principal Occupation: Investments Denver, Colorado	6,695	—	Director of Applicant; Director of First National.
Russell T. Tutt Principal Occupation: President, El Pomar Investment Co. Colorado Springs, Colorado	152	—	Director of Applicant; Director of First National.
William M. White, Jr. Principal Occupation: Chairman of the Board and President, Great Western United Corporation. Denver, Colorado	—	—	Director of Applicant.

As of March 21, 1969, none of the above officers or directors of the Applicant owned any shares of Greeley.

10. *Additions or other changes contemplated to be made in the membership of the board of directors and the roster of principal officers of Applicant, furnishing with respect to each proposed new director and principal officer the same information as requested in Item 9 above.*

Mr. Robert M. Gilbert, President of Greeley, will be asked to serve as a director of Applicant. As of March 21, 1969, Mr. Gilbert owned no shares of Applicant. Mr. Gilbert owned, as of March 21, 1969, in his own name 375 shares of Greeley; jointly with his wife 195 shares of Greeley; and through Monroe Corporation, a corporation wholly owned

by Mr. Gilbert and his wife, an additional 13,035 shares of Greeley.

11. *For each banking or nonbanking subsidiary, acquired by Applicant subsequent to the filing of Applicant's most recent Annual Report filed with the Board of Governors on Form F. R. Y-6, submit the following information, showing:*

(a) *Name and location of the bank or company;*
(b) *Brief description of its business activities;*
(c) *Number of voting shares outstanding, and each class thereof if more than one class;*
(d) *The number of voting shares:*
(i) *Directly or indirectly owned by the Applicant and/or its subsidiaries, indicating the amount at which the shares are carried in the assets of each owner and the manner in which ownership was acquired;*
(ii) *Directly or indirectly controlled or held with power to vote by the Applicant and/or its subsidiaries, showing the manner of control or holding with power to vote. If this results solely from share ownership, so indicate in response to this item; and*
(iii) *Directly or indirectly controlled or held by trustees for the benefit of the Applicant (or its subsidiaries), their shareholders, or their employees (whether exclusively or not); and*
(e) *Control, in any manner, of the election of a majority of its directors, trustees, or persons exercising similar functions. If there is no control other than as shown in Item (d), it should be so stated.*

None

12. *Statement with respect to any other bank or any other nonbanking company of which Applicant, and/or its subsidiaries, jointly or severally, or jointly with Bank, own, control, or hold with power to vote more than 5 per cent of the outstanding voting shares, showing:*

(a) *Name and location of the bank or company;*
(1) The International Realty Company, 621 - 17th Street, Denver, Colorado 80202.
(b) *Brief description of its business activities;*
This company was organized on December 23, 1955,

for the purpose of holding title to real estate and leasehold interests used by First National in the conduct of its banking business.

(c) *Number of voting shares outstanding, and each class thereof if more than one class;*

Three million shares of $1 par value common voting stock issued and outstanding.

(d) *The number of voting shares:*

(i) *Directly or indirectly owned by the Applicant and/or its subsidiaries, indicating the amount at which the shares are carried in the assets of each owner and the manner in which ownership was acquired;*

First National owns all 3,000,000 shares which are carried on its books at $6,000,000, and were acquired for cash.

(ii) *Directly or indirectly controlled or held with power to vote by the Applicant and/or its subsidiaries, showing the manner of control or holding with power to vote. If this results solely from share ownership, so indicate in response to this item;*

Control results solely from share ownership.

(iii) *Directly or indirectly controlled or held by trustees for the benefit of the Applicant (or its subsidiaries), their shareholders, or their employees (whether exclusively or not).*

None

(a) *Name and location of the bank or company;*

(2) The International Company of Denver, 621 - 17th Street, Denver, Colorado 80202.

(b) *Brief description of its business activities;*

This company was organized on December 24, 1929, for the purpose of handling purchases and sales of bonds and securities for The International Trust Company which was merged into First National on October 8, 1958. The company is now inactive.

(c) *Number of voting shares outstanding, and each class thereof if more than one class;*

One hundred shares of no par common voting stock are issued and outstanding.

(d) *The number of voting shares:*

(i) *Directly or indirectly owned by the Applicant and/or its subsidiaries, indicating the amount at*

which the shares are carried in the assets of each owner and the manner in which ownership was acquired;

First National owns all one hundred shares which are carried on its books at no value.

(ii) *Directly or indirectly controlled or held with power to vote by the Applicant and/or its subsidiaries, showing the manner of control or holding with power to vote. If this results solely from share ownership, so indicate in response to this item;*

Not applicable, as company is inactive.

(iii) *Directly or indirectly controlled or held by trustees for the benefit of the Applicant (or its subsidiaries), their shareholders, or their employees (whether exclusively or not).*

None

13. *For each subsidiary bank acquired in the past 10 years, provide the following information as of the date of this application:*

(a) *The names of all banks at which the subsidiary maintains correspondent balances and the amount of the balance at each bank—.*

		Balance Maintained at:		
Subsidiary	First National Bank of Denver	First National Bank of Bear Valley	First National Bank of North Glenn	First National Bank of Southglenn
First Nat'l Bank of Denver	Assets over $100,000,000 and maintains no correspondent balances at other subsidiary banks.			
First Nat'l Bank of Bear Valley	$825,051.51	—0—	—0—	—0—
First Nat'l Bank of North Glenn	683,628.90	—0—	—0—	—0—
First Nat'l Bank of Southglenn	158,360.82	—0—	—0—	—0—

(Bear Valley, North Glenn, and Southglenn maintain no correspondent relationships other than with First National.)

(b) *The number and total amount of participation loans entered into by the subsidiary (during a 12-month period ended not more than 3 months prior to the date of submission of the application).*

(i) Participating Bank	(ii) Originating Bank	# of Loans	(iii) Total Amt. of Loans	(iv) Amt. of Participation
First National	Bear Valley	7	$256,174.00	$ 203,324.00
Southglenn	Bear Valley	2	111,115.05	30,115.05
First National	North Glenn	11	150,468.33	114,468.33
First National	Southglenn	3	91,400.00	34,500.00
Bear Valley	First National	*		*2,930,091.58
North Glenn	First National	*		*3,387,568.18
Southglenn	First National	*		*2,238,085.67

(Total assets of First National exceed $100,000,000 and thus only participations to other subsidiaries are shown. Bear Valley, North Glenn, and Southglenn sold participations to no banks other than those indicated above.)

*In the case of participations sold by First National to Bear Valley, North Glenn, and Southglenn, the figures represent the *average* amount of participations outstanding to each bank during 1968. These figures represent participations in 116 *lines* of credit (rather than individual loans) that have been approved by Bear Valley, North Glenn and Southglenn for purchase from First National, which are bought for earning power for as little as one day or as long as excess funds are available. Each of the three smaller banks may be participating in any or all 116 lines at a given time, and therefore to indicate the number of lines participated on a given day, or for a given period, would show volume figures not considered realistic.

EXHIBIT C-1

Balance Sheet of Applicant as of Year-End December 31, 1968, and First Quarter Ending March 31, 1969.

Debit and Credit Adjustments to Record Acquisition of Greeley.

Resulting Pro Forma Balance Sheet of Applicant after Acquisition of Greeley.

EXHIBIT C-1

Attached to and made a part of the application of The First National Bancorporation, Inc. for the voting shares of The First National Bank of Greeley.

THE FIRST NATIONAL BANCORPORATION, INC.

	(a) Bancorporation Balance Sheet		Entry to Record Acquisition of Greeley (Note 1)
ASSETS	December 31, 1968	March 31, 1969	
Cash	$ 44,723	$ 56,660	$
Investment in Stock of Subsidiary Banks at Net Asset Value:			
The First National Bank of Denver	41,290,114	41,910,094	
The First National Bank of Bear Valley	505,278	512,317	
The First National Bank of North Glenn	449,200	457,089	
The First National Bank of Southglenn	313,918	318,664	
The First National Bank of Greeley			4,1
Other Assets - Stock Issuance Expense, Organization Expense, etc. - Net	182,010	180,843	
Total	$42,785,243	$43,435,667	$4,
LIABILITIES			
Current Liabilities - Accrued Interest and Taxes	$ 2,150	$ 7,160	$
Notes Payable - Due October 31, 1971 (Interest Payable Quarterly at Prime Rate)	185,000	185,000	
Stockholders' Equity:			
Common Stock - $10 Par Value Authorized - 3,500,000 Shares Issued and Outstanding - 1,488,585 Shares Prior to Acquisition - 1,721,085 Shares After Acquisition	14,885,850	14,885,850	
Paid in Surplus	27,154,577	27,154,577	2,
Retained Earnings (See Exhibit C-2 Following)	557,666	1,203,080	2,
Total Stockholders' Equity	42,598,093	43,243,507	
Total	$42,785,243	$43,435,667	$4,

NOTES:

1. The entry to record acquisition of Greeley assumes that 100% of its outstanding shares posed exchange.
2. Anticipated expenses of the proposed exchange are not contained in the "Entry to Record Balance Sheet".

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EXHIBIT C-1

a part of the application of The First National Bancorporat
The First National Bank of Greeley.

THE FIRST NATIONAL BANCORPORATION, INC.

	(a) Bancorporation Balance Shee	
	December 31, 1968	March 31,
	$ 44,723	$ 56,6
f Subsidiary Banks		
al Bank of Denver	41,290,114	41,910,0
al Bank of Bear Valley	505,278	512,3
al Bank of North Glenn	449,200	457,0
al Bank of Southglenn	313,918	318,6
al Bank of Greeley		
Issuance Expense,		
e, etc. - Net	182,010	180,8
	$42,785,243	$43,435,6
- Accrued Interest and Taxes	$ 2,150	$ 7,1
October 31, 1971 (Interest		
t Prime Rate)	185,000	185,0
Par Value		
500,000 Shares		
tanding - 1,488,585 Shares		
isition - 1,721,085 Shares	14,885,850	14,885,8
tion		
	27,154,577	27,154,5
(See Exhibit C-2 Following)	557,666	1,203,0
' Equity	42,598,093	43,243,5
	$42,785,243	$43,435,6

ord acquisition of Greeley assumes that 100% of its outstand

nses of the proposed exchange are not contained in the "Entr

ion, Inc. for permission to acquire 80% or more of

t 1969	(b) Entry to Record Acquisition of Greeley (Notes 1 & 2)	(c) Pro Forma Balance Sheet Subsequent to Acquisition of Greeley
60	$	$ 56,660
94		41,910,094
17		512,317
89		457,089
64		318,664
	4,852,494	4,852,494
43		180,843
67	$4,852,494	$48,288,161
60	$	$ 7,160
00		185,000
50		
	2,325,000	17,210,850
77	2,527,494	29,682,071
80		1,203,080
07		48,096,001
67	$4,852,494	$48,288,161

ding shares will be acquired through the pro-

y to Record Acquisition" or the "Pro-Forma

EXHIBIT C-2

Analysis of Applicant's Retained Earnings and Paid-In Surplus Accounts January 1, 1969—March 31, 1969.

EXHIBIT C-2

Attached to and made a part of the application of The First National Bancorporation, Inc. for permission to acquire 80% or more of the voting shares of The First National Bank of Greeley.

"Retained Earnings" for the period January 1, 1969 to March 31, 1969 is reconciled as follows:

Balance—January 1, 1969	$ 557,666
Net Income—Including Equity in Undistributed Earnings of Subsidiaries of $632,657	1,171,630
Cash Dividends	(521,005)
Cost in Excess of Book Value of Subsidiary Bank Shares Purchased	(5,211)
Balance—March 31, 1969	$1,203,080

There was no change in the "Paid-In Surplus Account" between January 1, 1969 and March 31, 1969, such figure remaining constant at $27,154,577.

EXHIBIT C-3

Applicant's Annual Report to Shareholders—Year Ending December 31, 1968.

EXHIBIT D

FINANCIAL HISTORY AND CONDITION, MANAGEMENT, AND FUTURE PROSPECTS OF BANK

1. *Copy (front and back) of Bank's latest report of condition together with year-end reports of condition and reports of income and dividends for the past five years, filed with a Federal supervisory authority or other supervisory authority if Bank's deposits are not insured or were not insured for the full five-year period.*

See Exhibit D-1.

2. *Copy of the latest annual report of the Bank which was prepared for its shareholders.*

See Exhibit D-2.

3. *Statement with respect to each sale of capital stock by the Bank during the preceding 10 calendar years and the current year to date, showing date, sales price per share and in total, and the proceeds added to each of the capital accounts.*

None.

4. *Any plans involving capital improvement programs of Bank.*

As of March 31, 1969, Greeley was engaged in a major remodeling program. Additional space was constructed on the lower level of the present bank building to accommodate Accounting, Bookkeeping, Auditing, and Controller operations. A new entrance to the main banking floor was installed together with a redesigned tellers' line, Installment Loan Department, and Trust Department. In addition, the main floor is to be completely redecorated including new lighting and a new ceiling together with drapes for a major portion of the main floor. The total cost of this capital improvement program is estimated at $180,000.

5. *Balance sheet of each subsidiary of the Bank as of the date of the latest report of condition submitted in Item 1 above.*

None.

6. *List of each shareholder owning or controlling 5 per cent or more of Bank's stock, showing total number of shares*

owned or controlled, and portions thereof owned or controlled less than 12 months prior to date of application.

Shareholders	# of Shares of Greeley Owned	Acquisitions—1968 through March, 1969
Burch, Leonard N.	10,625	2,125 acquired April 1, 1968 as the result of a 25% stock dividend.
Davis, Robert S.	12,360	2,482 acquired April 1, 1968 as the result of a 25% stock dividend.
Monroe Corporation (Monroe Corporation is wholly owned by Mr. and Mrs. Robert Gilbert. Mr. Gilbert is the president of Greeley. In addition ot these shares, Mr. Gilbert owns 375 shares in his own name and 195 shares jointly with Mrs. Frances Gilbert.)	13,035	2,476 acquired April 1, 1968 as the result of a 25% stock dividend.
		65 acquired July 25, 1968
		150 acquired January 6, 1969
		438 acquired February 27, 1969.
Royer, Dean C.	8,856	1,778 acquired April 1, 1968 as the result of a 25% stock dividend.

7. Statement as to whether the Bank has transferred, by sale or otherwise, all or part of its bank premises to:

(a) A subsidiary, in which case show any profit recognized by the Bank, and the entries recorded on the Bank's books in connection with the transaction, and any adjustments affecting related parent or sub-

sidiary accounts subsequent to the date of the transaction;

None

(b) *An entity other than a subsidiary such as under a lease-back arrangement.*

None

8. *If the Bank is a proposed new bank, the following should be submitted in lieu of the information requested in Items 1 through 7 above;*

(a) *Statement as to its proposed capitalization;*

(b) *Estimates of major categories of assets, deposits, and capital accounts which are projected for the Bank for the end of each of its first three years of operations;*

(c) *Estimates of gross income and expenses, by major class in each case, and net earnings or loss for each of the first three years of the Bank's operations (should be submitted confidentially as provided for in paragraph 1 of page 5);*

(d) *Statement as to whether Bank will open if proposed acquisition is denied. If in the affirmative give details regarding proposed ownership; and*

(e) *Date of charter application and statement of its present status.*

Not applicable.

9. *List of directors, trustees, and principal officers of Bank, or persons exercising similar functions, providing information in connection with each as follows:*

(a) *Name and address (city and State only);*

(b) *Number of each class of shares of Bank and/or Applicant owned of record and segregated as to individual ownership and joint ownership with others.*

(c) *Title of position with Bank; and*

(d) *Principal occupation if other than the Bank.*

Name	Title with Greeley	Number of Shares of Greeley
Leonard N. Burch Principal Occupation: Banking & Investments Greeley, Colorado	Director	10,625

Name	Title with Greeley	Number of Shares of Greeley
Robert S. Davis Principal Occupation: Owner, Davis Agency & Livestock Greeley, Colorado	Director	12,360
Martin R. Domke Principal Occupation: Cattle Feeder Greeley, Colorado	Director	1,000
Rex C. Eaton, Jr. Principal Occupation: Banker Greeley, Colorado	Director Executive Vice President	250 3,000 Jointly Held
William S. Garnsey Principal Occupation: President, Garnsey & Wheeler Co. Greeley, Colorado	Director	7,210
Robert M. Gilbert Principal Occupation: Banker Greeley, Colorado (Monroe Corporation, wholly owned by Mr. and Mrs. Robert M. Gilbert, owns 13,035 shares of Greeley. See Exhibit D-6, herein before recited—Page D-2.)	Director President	375 195 Jointly Held
John L. Haley Principal Occupation: Engineering Consultant; Nelson, Haley, Patterson & Quick, Inc. Greeley, Colorado	Director	400
John W. Henderson Principal Occupation: Attorney-at-Law Greeley, Colorado	Director	2,000

Darrell Holmes, Ph.D. Principal Occupation: President, Colorado State College Greeley, Colorado	Director	150 312 Jointly Held
Harold S. Jones Principal Occupation: Owner, The Jones Company Greeley, Colorado	Director	5,250
Carl J. Magnuson Principal Occupation: Former Colorado State Senator Farmer and Cattle Feeder Eaton, Colorado	Director	2,000
Joseph F. Phelps Principal Occupation: President, Hensel Phelps Construction Co. Greeley, Colorado	Director	5,250
Dean C. Royer Principal Occupation: President, D. C. Royer Agency Greeley, Colorado	Director	8,856
Ernest B. Scott Principal Occupation: President, Scott Realty Company Greeley, Colorado	Director	1,187
William H. Southard Principal Occupation: Attorney-at-Law Trustee, Colorado State College Greeley, Colorado	Director	2,506

Phillip D. Weaver, M. D. Principal Occupation: Radiologist Greeley, Colorado	Director	150 564 Jointly Held
Curtis S. Slife Principal Occupation: Banker Greeley, Colorado	Senior Vice President	12
Louis C. Rieker Principal Occupation: Banker Greeley, Colorado	Vice President and Trust Officer	150
Alejandro M. Gillespie Principal Occupation: Banker Greeley, Colorado	Vice President and Controller	450
Richard J. Read Principal Occupation: Banker Greeley, Colorado	Cashier	-0-

As of March 21, 1969, none of the above listed officers or directors owned any shares of Applicant's stock, either jointly or severally.

10. *Personnel changes contemplated by Applicant with respect to directors and/or principal officers of Bank, furnishing with respect to each proposed new director and principal officer the same information as requested in Item 9 above.*

No changes are contemplated by Applicant with respect to Directors or Principal Officers of Greeley other than the addition of Mr. Bruce D. Alexander, Executive Vice President of Applicant and Senior Vice President of First National, as an additional Director to the Board of Directors of Greeley. As of March 21, 1969, Mr. Alexander owned no shares of Greeley. Mr. Alexander owned in his own name 3,860 shares of Applicant.

11. *Statement with respect to any other bank or any nonbanking company of which the Bank owns, controls, or holds*

with power to vote more than 5 per cent of the outstanding voting shares, showing:

(a) *Name and location of the bank or company;*

(b) *Brief description of its business activities;*

(c) *Number of voting shares outstanding, and each class thereof if more than one class; and*

(d) *Number of voting shares:*

(i) *Directly or indirectly owned by the Bank, indicating the amount at which the shares are carried in the assets of the owner and the manner in which ownership was acquired;*

(ii) *Directly or indirectly controlled or held with power to vote by the Bank, showing the manner of control or holding with power to vote. If this results solely from share ownership, so indicate in response to this item; and*

(iii) *Directly or indirectly controlled or held by trustees for the benefit of the Bank, its shareholders, or its employees (whether exclusively or not).*

None

EXHIBIT D-1

Copy of Greeley's Report of Condition Dated April 30, 1969 as Filed with Federal Supervisory Authorities.

Copy of Greeley's Reports of Condition, and Income and Dividend Reports Filed with Federal Supervisory Authorities for Years Ending December 31, 1964 through December 31, 1968.

EXHIBIT D-2

Greeley's Annual Report to Shareholders—Year Ending December 31, 1968.

EXHIBIT E

DESCRIPTION OF BANK'S OPERATIONS

1. *As of the date of the latest available midyear or year-end condition report, the number and amount of IPC deposits segregated by demand, savings, and time (each by size of account), similar to that furnished the FDIC for use in its latest Summary of Deposits. If available, the information for IPC demand deposits should be provided separately for business and household accounts. Separate data should be supplied for:*

(a) *Each office of Bank and the total for Bank;*

See Exhibit E-1 attached. (In opinion of Greeley's management no significant change has occurred in composition of deposits since June 30, 1968.)

(b) *Each banking office of the Applicant's subsidiary banks (include Applicant if it is a bank) that is regarded as competing with Bank (as listed in Exhibit G-4) and the total for all such offices;*

Applicant has no subsidiaries regarded as competing with Greeley.

(c) *The total for all banks listed in (b) above.*

See answer above.

2. *As of the date of the latest midyear or year-end condition report available, the amount of Bank's:*

(a) *Installment loans to individuals for household, family, or other personal purposes, indicating the approximate amount originated by Bank and the amount purchased from others, segregated as to the amount purchased from vendors located within and without Bank's service area;*

Amount originated by Bank =	$385,264.87
Amount purchased from others:	
Within Bank's service area =	32,034.56
Outside Bank's service area =	1,490.79
Total	$418,790.22

(b) *Residential mortgage loans, indicating the approximate amount originated by the Bank and the*

amount purchased from others, segregated as to sellers located within and without Bank's service area;

Originated by the Bank = $1,636,363.68

No residential mortgage loans purchased from others.

(c) *Total investment in obligations of States and political subdivisions, showing investment in securities issued by the State in which the Bank is located, and the investment in securities issued by local governments in that State, identifying separately, amounts invested in issues of local governments within Bank's service area.*

Securities issued by the State =	None
Securities issued by local governments in that State:	
Within Greeley's service area =	$ 531,240.47
Not within Greeley's service area =	4,688,102.84
Other states and political subdivisions =	1,857,262.38
Total	$7,076,605.69

3. *If Bank has a trust department, indicate as of the latest date for which such information is available:*

(a) *The number of accounts of each major type of fiduciary and/or agency appointment and the total amount of assets held, showing the basis for assigning book carrying values;*

As of December 31, 1968, Greeley's trust department had total assets of $7,512,595.14 in 211 various trust accounts, more particularly described as follows:

Decedents Estate	10	Farm Management (Agencies)	13
Conservator & Guardianship	59	Agency & Escrow	37
Testamentary Trust	22	Corporate Accounts	6
Living Trust	37	Wills & Non-Funded Trusts	22
Profit Sharing Plan	5		

Total—211

Land and improvements, insurance policies, and Wills carried at a Unit Value of $1.00. All other assets carried at cost.

(b) *The extent to which Bank's trust business originates in its service area, in the service areas of subsidiary banks of the Applicant, and of Applicant if it is a bank;*

All of Greeley's trust business originates within its Primary Service Area with the exception of one account which was originated in 1962 under a Farm Management Agency Agreement involving property located in and near Severance, Colorado, a small community approximately 12 miles northwest of Greeley in Weld County, Colorado. The Agency was subsequently changed to inter vivos trust and other assets, located in Golden, Colorado, were added. Golden, Colorado is considered to be within the Primary Service Area of First National. The grantor was a resident of Golden at the time of the original agreement, but was a long-time resident of Weld County and an old and valued customer of Greeley, with active checking and savings accounts at the time of the original agreement.

(c) *The extent to which each of Applicant's subsidiaries, or Applicant if it is a bank, derives trust business from the service area of Bank.*

First National, the only subsidiary of Applicant with a Trust Department, has the following accounts located within the Primary Service Area of Greeley:

5 fiduciary accounts (beneficiaries reside in the city of Greeley)	$ 530,000.00
2 fiduciary accounts (settlors reside in the city of Greeley)	292,813.00
1 escrow account for "Northern Weld County Water District," this account funded with U. S. Government Securities—value	3,464,000.00
TOTAL—8 accounts with total carrying value of	$4,286,813.00

The above accounts, in the aggregate, constitute less than ⅓ of 1% of the total value of trust accounts of First National.

In addition to the fiduciary and escrow accounts listed above, First National, as Trustee, operates a 153 acre irrigated farm located within Greeley's Primary Service Area. This property was owned by a long-time customer of First National who was residing in Denver at the time of his death. This property is carried on the books of First National's Trust Department at $1.00.

EXHIBIT E-1

Copy of Greeley's Analysis of Demand, Savings, and Time Accounts as Filed with the Federal Deposit Insurance Corporation as of June 30, 1968.

EXHIBIT F

DESCRIPTION OF BANK'S SERVICES RELATIVE TO THE CONVENIENCE AND NEEDS OF THE AREA IT SERVES.

Applicant believes that a brief history of Weld County and the City of Greeley will help to put the answers to the questions called for by this Exhibit F which deal with the convenience and needs of the area served by Greeley in perspective. Much of the following is taken from a publication by the Greeley-Weld County Industrial and Business Development Foundation, Inc., operating to a degree with the Greeley Chamber of Commerce.

Greeley—Weld County—Historical Data

GENERAL

Greeley's economic climate and general business attitude is excellent. There is a proper cognizance of importance of business climate in the community. Community's industries are increasing in size and number and are generally considered forward-thinking and aggressive. In the last five years, 62 new industrial, professional and retail organizations have moved into the Greeley area—this figure is *net* of losses.

The State of Colorado has recognized the value of new industry:

1. Colorado has eliminated its ad valorem tax.
2. The state has lowered assessment rate on "freeport merchandise."
3. Colorado has avoided increases in its state income tax.

Greeley and Weld County officials have voiced strong objections to so-called "business incentives" in the form of lower taxes, etc. to attract new industry at the expense of already established concerns. Thus, a more stable approach to taxation has been maintained.

Several steps have been taken by members of the Greeley community to attract new industry:

1. Local employers are taking aggressive steps in the area of employee relations.
2. Only a small percentage of workers are unionized; however, there is good rapport between union and non-union personnel.
3. Merchants in several areas have gone together to

improve the appearance of business houses and general areas.

4. Business and other persons have actively taken part in discussions concerning issues which have an effect on business.
5. Newspapers and radio stations have taken a very active part in educating the population as to the needs for diversification of business and industry, and they have likewise paid a great deal of attention to new business and industrial arrivals.

As recently as September 9, 1969, in an article in *The Denver Post*, it was announced that "six Northern Colorado Communities have banded together to meet the challenge of an expected industrial and population explosion. Their new organization, called the Northern Colorado Area Development Association, includes Fort Collins, Greeley, Loveland, Estes Park, Berthoud and Windsor."

Introduction to Greeley and Weld County

Weld County

Named for the territory's first secretary, Lewis Ledyard Weld, Weld County is one of the original 17 counties established by the first legislature of the territory of Colorado on November 1, 1861.

First recorded town plat was Evans, filed with the county on November 22, 1869. Greeley was founded in 1870, recorded June 29, 1871 and incorporated April 6, 1886.

Greeley

Through an organization called the Union Colony, Nathan Meeker bought land in the Valley of the Cache La Poudre River, midway between Denver and Cheyenne from the Denver Pacific Railroad. There he selected a townsite, one mile square, and built a planned farming community. It was named Greeley after Horace Greeley, the famous editor.

Greeley and Weld County Statistics

Greeley is located 40 miles east of the front range of the Rocky Mountains, 41 miles south of the Colorado-Wyoming border and 140 miles west of the Nebraska-Colorado border. The city is 52 miles north of Denver, covering an area of

7.8 square miles and is directly west of the confluence of the Cache la Poudre River with the South Platte River.

Greeley has a council-manager form of government with six elected councilmen and a mayor. The manager is appointed by council.

Weld County is aligned with agriculture, ranking *ninth* * in total crop and livestock production in the Nation. It has an area of 4,004 square miles.

Irrigation has played an important role in the history of both Greeley and Weld County. Ditches carrying snow runoff water into the county are some of the earliest in the state. These ditches are now supplemented with water from the Big Thompson diversion project which brings water through tunnels from Colorado's Western Slope to be fed into the distribution systems along the Eastern Slope.

Also within the county are found deposits of coal, oil, gas, gravel, and other minerals and rare earths.

Population Data

Persons 25 years old and over have completed 12.1 median school years to give Colorado the second highest national average educational level.

Population Facts *	1960 Population
Urban Greeley	26,314
Rural	38,537
Other Urban	7,493
Ault Area	4,074
Eaton Area	5,098
Evans Area	6,553
Fort Lupton	5,222
Gill Area	2,071
Johnston-Milliken Area	4,685
Kersey Area	1,607
LaSalle-Gilcrest Area	3,585
Platteville Area	1,785
Windsor Area	2,788
Keensburg-Hudson Area	3,067

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* *Rocky Mountain News*, September 5, 1969, updates this figure to seventh.

* See chart on the City of Greeley only, page 23.

(As a matter of interest over 60 per cent of Colorado's population lie along the eastern slope of the Rocky Mountains between Fort Collins on the north and Pueblo on the south.)

Living Conditions

Separated from the Pacific Ocean by distance and a high mountain barrier, and located a long distance from any other major source of moisture, the climate in Greeley is characterized by low humidity, low average precipitation and abundant sunshine. The average annual rainfall is 11.12 inches with an annual mean temperature of 48.9 degrees. The prevailing air movement is from the west, with most of the moisture lost in passage over the mountains. Invasions of cold air from the north in winter are also relatively dry so that winter precipitation averages are low.

Although the average annual rainfall of less than 12 inches places the area in the semi-arid classification, heavier precipitation and winter snow accumulation in the mountains to the west provide an abundant supply of water for domestic, industrial and irrigation use. The dry and generally mild climate with warm summers and mild winters, together with an abundant supply of water, provide unusually favorable conditions for industrial development.

Building Permits

Greeley

Year	No.	Value
1967	285	$2,920,722
1966	247	2,626,705
1965	165	1,802,511
1964	300	3,624,236
1963	356	4,213,209
1962	296	3,349,594
1961	481	3,882,600
1960	400	3,548,000

Greeley Construction in Past Five Years

Homes	*1963*	*1964*	*1965*	*1966*	*1967*
No. of Units	291	191	90	118	114
Value Millions	3.6	2.6	1.2	1.7	2.1
Multi-Units & Apartments					
No. of Units	26	31	14	129	141
Value Millions	.60	1.0	.6	1.7	1.0

Greeley Construction in Past Five Years

Commercial & Industrial					
No. of Units	47	30	17	16	33
* Value Millions	1.5	.9	.4	2.1	1.1

Average Sales Price New Construction	*In Greeley*	*Outside Greeley*
2-Bedroom frame	$14,800	$12,000-15,500
2-Bedroom brick veneer	15,800	13,500-16,000
3-Bedroom frame	16,250	13,500-18,000
3-Bedroom brick veneer	17,250	14,000-18,500
Custom-built	20,000-45,000	20,000-45,000

Greeley housing is generally attractive and well maintained, though the area north of Sixth Street and east of the railroad tracks is of lower quality. There are some larger tract areas east of the tracks that are very desirable. Executive and management personnel would be attracted to Cascade Park, Highland Hills, Glenmere, Belair Park, Cottonwood, and Rolling Hills subdivisions.

Churches

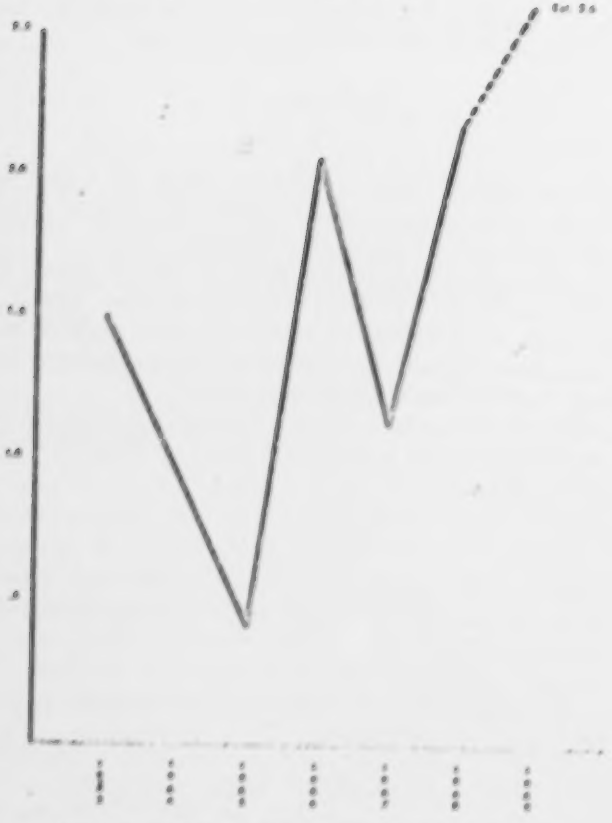
There are 108 churches in Weld County, 59 of which are in Greeley. Thirty-three denominations are represented.

Cultural Assets

Community Center for the Creative Arts
Weld County Art Association
Junior Philharmonic Association
Choral Arts Society
Greeley Recreation Bands
Little Theatre of the Rockies
CSC music and drama presentations weekly
School band and orchestra concerts and dramatic presentations
Associated Students annual lecture series
July 4th Rodeo in Greeley
Annual rodeos in other communities
Various private art galleries
Meeker Museum
Greeley Municipal Museum, etc.

* See following chart for 1968 and estimated 1969.

Commercial & Industrial Construction
Greeley



Libraries

Weld County residents have access to both the Weld County Library and the Greeley Library, both located in Greeley. Both are members of the High Plains Library System.

In addition to the 100,700 volumes in the Weld County Library, and the 68,496 volumes of the Greeley Public Library, an unlimited number of books are available upon short notice through the High Plains system.

Education

Public Schools

A total of 20,000 students are enrolled in school districts which have headquarters within the county. About half of the students are in Greeley schools.

Nearly 900 teachers are employed in the 12 school districts. Greeley alone has 440 certified teachers. Beginning salaries range from $4,900 to $6,000. Greeley teachers were placed on a starting salary base of $5,700 in January, 1969, increasing to $6,000 on September 1, 1969.

The district operates several federally-sponsored programs including a full year Head Start, a special Title I, ESEA program.

Aims College

Founded in 1967, Aims opened its doors on September 27, 1967. It is designed to fill a gap in vocational opportunity within the county.

Vocational courses in the curriculum for the Fall, 1968, quarter included Office Occupations (stenographic, secretarial and related programs); Office Occupations (junior administration); Office Occupations (general office clerical program); Office Occupations (office production); Mid-Management (distributive education); Aviation Technology (commercial pilot); Automotive Mechanics; Drafting-Technical Illustration; Electronics Technology; Engineering Technology; Welding, and Police and Fire Department training.

Colorado State College

Colorado State College, founded in 1890 as The Normal

School, is one of the Nation's leading institutions in teacher training. It also offers degrees in a variety of fields outside the field of education. Its graduate degree holders can be found in management and administrative positions with public schools, colleges, universities and governmental agencies across the Nation.

Enrollment has progressed rapidly during the past few years with 8,300 students in 1967-68 and 14,000 expected with the next decade. The college employs nearly 1,000 persons on a full time basis.

Recreation

Greeley has a comprehensive recreational program directed by a full-time director and supervised by three assistants. Recreation to be found in the Greeley area include public parks, golf courses, tennis courts and swimming pools, plus many other facilities for recreation and entertainment.

City and County Services

City Government

Greeley has a home rule form of government which consists of elected council members and a manager functioning under a city charter as well as under Colorado statutes. Greeley's mayor, elected by popular vote is a non-partisan campaign, presides as titular head of the council and represents the city in all official capacities.

Greeley Police Department

Greeley Police Department consists of 37 full-time officers, 10 civilian women employees and 18 volunteer community service officers.

The city's 1967 FBI total crime index was 490, a low index compared with cities of comparable size.

Fire Protection

Greeley has 31 paid firemen and no volunteers. The department has 10 major pieces of equipment including five pumper trucks.

Streets and Highways

Greeley is noted for its 100 foot wide streets and their scenic tree-like beauty. Approximately 86 per cent of a total of 118.92 miles of streets are paved.

U. S. Highways 85 and 34 serve the city, and the community is situated 15 miles each of Interstate 25.

Health, Medical and Hospitals

Weld County has two hospitals, both located in Greeley. Weld County General has a capacity of 350 beds; Memorial Hospital has 35 with plans for future expansion. Weld County General has a staff of 72 physicians and surgeons, 65 per cent of whom are specialists.

Business Factors

Retail Sales

Retail sales totaled $174,875,000 in Weld County in 1967 with about 70 per cent of this figure in Greeley alone. Retail sales in Greeley proper increased 6.8 per cent during the first six months of 1968 over the same period in 1967. Approximately 19 square blocks of retail business are situated in downtown Greeley, plus several shopping centers in the southern and western parts of the city. Approximately 227 business locations are situated in the downtown core area of the city with most air-conditioned and virtually all well maintained. Greeley has a total of 379 retail outlets employing 2,261 persons with a total annual payroll estimated at $9,000,000.

Wholesale Sales

Such sales totaled $45,630,000 in 1967. Greeley has 65 wholesale outlets employing 465 persons with a total annual payroll estimated at $2,500,000.

Banking Business Indicators

Historical

The First National Bank of Greeley was incorporated on May 6, 1884, and is the oldest bank in Weld County. With one exception, all other banks within Weld County have been established since the turn of the century.

As a matter of interest, and to demonstrate the growth of Weld County banking and the increasing pressure on the loan-deposit relationships, the following figures are presented: (*)

Year	# of Banks	Population	Total Deposits in County	Total Loans in County	# of Deposits Loaned
1930	20	65,097	$ 9,937,000	$ 4,844,000	49
1940	10	63,747	9,800,000	3,434,000	35
1950	11	67,504	43,650,000	16,851,000	39
1960	11	72,344	66,525,000	40,180,000	60
1968	15	81,500 (est)	144,319,000	100,465,000	70

It is also interesting to note that of the present 15 banks presently operating within Weld County, only eight were in existence in 1930.

Weld County experienced significant growth during the early decades of its eixstence because of its wealth relating to agricultural production. In the early 1930's, agriculture suffered near disaster, a fact reflected not only by a decrease in population, but the failure or liquidation of 12 of its 20 banks. Two new banks began operating in the 1930's —The Greeley National Bank (largest within the city of Greeley) chartered in 1934; and The Eaton Bank, Eaton, Colorado, chartered in 1937. In 1946, The Citizens State Bank of Keenesburg, Colorado, was chartered and no new bank charters were granted until 1962. Based upon estimated county population of 81,500 persons at year-end 1968, the 15 banking offices serve an average of 5,433 persons each within the county.

Current (*)

Bank Debits as of years as shown: (Greeley Clearing House)

1964	$1,044,844,514
1965	1,125,875,942
1966	1,265,027,018
1967	1,355,637,372
1968	1,524,684,669
1969	898,807,294 (6 months only)

* County figures extracted from *Polk's World Bank Directory.*

* Year-end deposit and loan figures for Greeley banks extracted from published figures in the *Greeley Tribune* as of call.

Total Deposits in the City of Greeley ONLY for year-end as shown:

1950	$ 30,275,819
1960	51,290,286
1964	76,018,100
1965	83,964,519
1966	91,163,159
1967	98,864,660
1968	111,402,896

Total Loans in the City of Greeley ONLY for year-end as shown:

1950	$ 16,229,094
1960	32,993,250
1964	54,119,946
1965	62,162,035
1966	67,428,681
1967	72,421,566
1968	76,443,113

As can be seen from the above figures as of year-end 1968, the banks within the City of Greeley held 77 per cent of the deposits and 76 per cent of the loans located within Wled County.

Utilities

Electricity

Electricity is supplied to Greeley and surrounding areas by Home Light and Power Company—an independent investor-owned company serving an area covering 600 square miles (all within Weld County) and some 20,000 customers. Construction has begun on a nuclear power plant at Platteville, some five miles from the company's present system. Plant being built by Public Service Company of Colorado, from whom Home Light purchases its electricity. Future availability is extensive.

Natural Gas

Natural gas is supplied by the Greeley Gas Company—investor-owned, and purchasing its gas from Western Slope Gas Company, with Western's largest supplier being Colorado Interstate Corporation.

Telephone Service

Telephone service is supplied by Mountain States Telephone Company. Total telephones in the Greeley area, including approximately 16 mile radius for toll free charges, were: 1968 (estimate)—32,629; 1967—31,879; 1966—30,521; 1965—29,899; and 1964—27,946.

Transportation

Greeley and Weld County are supplied by four railroads and four motor freight carriers. Greeley itself is served by one bus line with six northbound and seven southbound busses daily.

There are twelve storage plants for agricultural products within the City of Greeley itself. In addition, the following storage and warehousing facilities are available:

1. 10,000 square feet of storage, 3-car capacity rail siding, dock space for loading and unloading semis, etc. Allied Van Line affiliate.
2. 50,000 square feet of storage, 3-car capacity rail siding, dock space for loading and unloading semis, etc. Representative of Mayflower.
3. 6,000 square feet of storage, no rail siding, dock space for loading and unloading semis, etc. Affiliated with North American Van Lines.
4. Refrigeration only, storage space for 150 rail cars, rail siding, dock space and 750 individual storage lockers for frozen foods.

In addition, City of Greeley, in cooperation with Weld County, operates a public airport located three miles from the center of the city. Includes a 5,080 foot runway, paved taxi strip, dusk to dawn lighting, fueling station, air terminal, hangar space for private planes, weather services including direct FAA line, major engine and aircraft repair service, flight training, and air taxi and charter service. Joint plans with FAA are underway including construction of control tower to be built and manned by FAA personnel. In addition, two crop dusting companies are located at the airport. Denver's Stapleton International Airport is located approximately 50 miles distant served by several airlines and operating over 150 flights per day to major cities. In addition, Stapleton handles several flights per day to foreign countries without equipment change.

Communications

Newspapers

Weld County has twelve newspapers with three of these in Greeley; one daily and two weekly. Colorado State College also publishes a weekly paper.

Radio

Two AM radio stations and two FM stations are located within Greeley. Denver also has A Mand FM stations which are, for the most part, available to Greeley's radio audience.

Television

Four Denver commercial stations and one educational TV station are received in Greeley, plus one commercial station located in Cheyenne, Wyoming, some 50 miles distant. Presently, Greeley Video, a cable organization, is entering the Greeley area which will make TV availability very extensive; including three educational channels, plus a news channel, weather channel, music channel, and one for Wall Street market reports. Uderground cable has been installed throughout Greeley and will operate on a modest monthly charge with no contract required and termination of usage proper at any time.

Industrial Data

Greeley was the first city in the Rocky Mountain Area to purchase and develop an industrial park, first to organize an industrial foundation for financing construction on a non-profit basis, and first to construct a building and lease it to a maufacturer. Site information, economic data, population data and information concerning government, services, transportation, utilities, etc. is available from the Industrial and Business Foundation. Three other areas are being developed in the Greeley area for scientific industry. One to 1,000 acre sites are available through the foundation.

Employment and Labor Data

(See chart of employment classification, page 17 following.)

As of late 1968, less than two per cent of the area popu-

lation was unemployed, and information from the Greeley Office of Department of State Employment has indicated that there is easy availability of persons required for new organizations moving into the area. An estimated two per cent per annum decline in numbers of workers remaining in farm employment and moving to town means approximately 50 to 150 persons per annum available for other employment.

In recent years, new industries have had no difficulty in filling new jobs. Agriculture is becoming more mechanized, thus more people are moving from the farm to the city (see above). Local schools and colleges are providing more and better trained persons, many of whom *prefer* to remain in Greeley if employment is available.

Agriculture and Livestock

Agriculture

Approximately 400,000 acres of Weld County's 2,600,000 acres are irrigated. Principal crops grown in Weld County are:

Sugar beets	79,250 acres
Potatoes	12,000 acres
Alfalfa	110,000 acres
Beans	48,000 acres
Corn	95,100 acres
Wheat	200,000 acres
Barley	76,000 acres
Oats	22,000 acres

Weld County ranks first in the United States in total acres of sugar beets and production of sugar, and *ninth* (*) in total value of agricultural products sold.

Livestock

Approximately 20,000 head of dairy cattle are located in Weld County. 175,000 or more head of cattle are on feed continually producing approximately 500,000 head of feedlot cattle sold each year. 30,000 to 35,000 head of breeding cattle are located within the county and between 200,000

* *Rocky Mountain News*, September 5, 1969, updates this figure to *seventh*.

and 250,000 head of lambs are fed each year, in addition to 6,000 head of hogs. Monfort Packing Company—capacity of more than 500,000 lambs and nearly 250,000 head of cattle per year.

Industrial and Commercial Growth

From all of the historical data it can be seen that Weld County and Greeley have enjoyed an extremely strong and sound growth and the future prospects look even brighter. A spectacular new development is the newly planned Kodak Company plant at Windsor, Colorado, 13.5 miles northwest of the City of Greeley, which according to *Harman, O'Donnell and Henninger Associates, Inc.*, will be employing about 1,000 people in 1971, and a construction force of between 500—750 persons will be needed in the initial years of construction (1970—1975) and after that, a permanent force of construction workers, with peaks reaching as high as 400—500 workers, will continue building plant facilities through 1990. Applicant believes the above estimated employment figures to be conservative. Applicant believes that the experience at the I.B.M. facility at Boulder, Colorado, is likely to be repeated by Kodak at Windsor. On March 3, 1965, I.B.M. officials announced that its new plant and development laboratory at Boulder would employ 1,000 persons, but by October, 1965, the employment figure was double the 1,000 originally announced, and according to an I.B.M. official at Boulder the present employment stands at 4,300 persons. The report estimates that approximately 27% of the Kodak employees in the plant will reside at Greeley. Presently, according to the same report, 28.7% of the residents of Windsor do their shopping in the City of Greeley when purchasing selected retail goods and services. Therefore, if this trend continues as the Kodak installation develops, the City of Greeley and the financial institutions located there will be called upon to satisfy a substantial demand from Windsor residents for individual banking services of all kinds.

North central Colorado, beginning with the installation of the plant by I.B.M. at Niwot, Colorado, has seen other facilities installed or about to be installed by national concerns such as Western Electric, Hewlett-Packard, and State Farm Insurance Company. Applicant sees no reason why this trend should not continue in North central Colorado,

thus insuring a growing rate of industrial and commercial expansion for the entire area.

In addition, a report to the Greeley Area Industrial & Business Development Foundation dated December 12, 1968, states as follows: "It doesn't seem possible, that already our prospects cover a broad scope of the industrial spectrum and a wide far-flung geographic area." This Foundation is presently working with 50 *active* prospects located in 21 states. The seven general areas for industrial development which the Foundation is stressing are as follows:

1. Research and development of new methods for growing, packing and freezing food products on year round basis, plus distribution and market studies.
2. Electronics oriented manufacturing facilities.
3. Paper box, carton and package manufacturing.
4. Manufacture and distribution of agriculturally oriented equipment based upon scientific farming and cattle raising.
5. Recreation oriented equipment manufacturing and distribution.
6. Space age facility support and research and development leading to manufacturing.
7. Oil production equipment, supply and distribution. Also marketing research for and management contacts with the oil industry.

Applicant believes that the tremendous work of the Foundation alone and its optimism about its success insures a spectacular industrial growth in the Greeley and Weld County area.

Agricultural Future Demand for Farm Credit

According to *Andrew F. Brimmer,* a member of the Board of Governors of the Federal Reserve System, in an address on December 28, 1967, entitled "Central Banking and the Availability of Agricultural Credit", stated, "This is one of the horns of the farm dilemma faced by the banking system: *farm credit demands in the aggregate are growing faster than total banking resources.*" Governor Brimmer went on to state, "The foregoing discussion has concentrated on the large and *pervasive* expansion in farm credit use during the recent past. But what of the

future? *All* who have studied this subject agree that future credit demands will *continue to expand rapidly.*" Governor Brimmer, quoting John Brake as having projected outstanding farm debt of *$100 billion* in 1980, stated that this was "a rather startling round number, but one that would be surpassed at the current rate of increase . . . Use of credit in farming (in 1980) would then be approaching levels currently found in non-farm enterprises; debt-asset ratios average around 40 per cent in manufacturing enterprises and near 50 per cent in non-financial corporate business." (All emphasis supplied.)

Applicant feels certain that the community in *all* its economic aspects can look forward to a substantial growth —and in the immediate future. As a result Applicant believes that approval of this application will *substantially* benefit the needs and convenience of the community, make it more possible, together with all other competing banks, to meet the demand for services and credit that now exists and will in the future exist, and provide it with sound and strong banking alternatives.

The following are set forth as statistical evidence of the impressive growth patterns in the area:

1. Weld County—Employment Classification
2. Loans—Greeley Banks, 1944-1968
3. Greeley Bank Deposits Per Cent Held, 1944-1968
4. Total Loans and Deposits, All Greeley Banks, 1944-1968
5. Loans—Greeley Banks, 1944-1968
6. Deposits—Greeley Banks, 1944-1968
7. Population Trends, City of Greeley

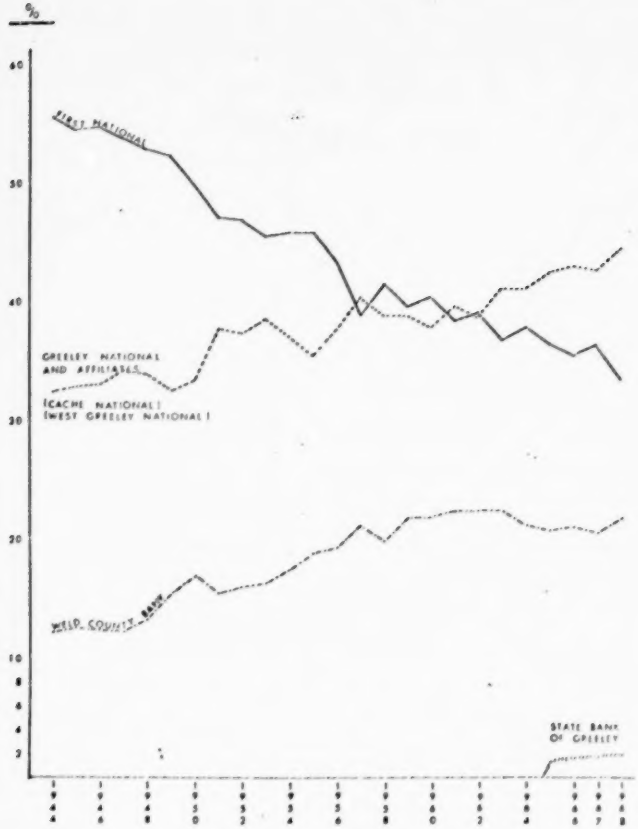
WELD COUNTY
EMPLOYMENT CLASSIFICATION (*)

Industry	1950	1960
Agriculture Service, Forestry, Fisheries	8,620	6,445
Mining	249	165
Contract Construction	1,451	1,935
Manufacturing	1,300	2,511
Transportation and Other Public Utilities	1,159	1,596
Wholesale Trade	780	824
Retail Trade	3,145	3,578
Finance, Insurance and Real Estate	456	931
Services	4,439	6,496
Unclassified Establishments	333	448
TOTAL	21,932	24,929

* Bureau of Census.

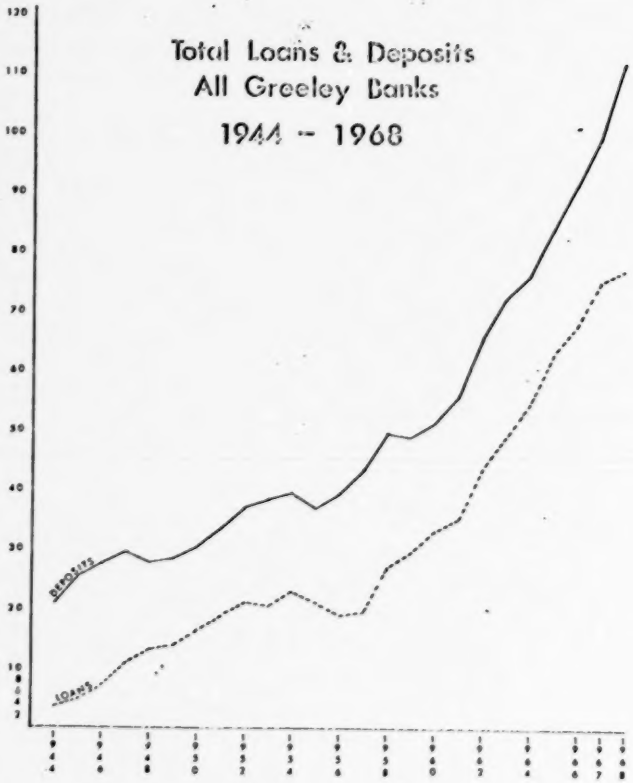
Millions
Loans -- Greeley Banks
1944 -- 1968
35
30
25
20
15
10
9
8
7
6
5
4
3
2
1
(2)
First National
Greeley National & Affiliates (2)
Weld County Bank
West Greeley National
Cache National Bank
State Bank of Greeley
1944
1946
1948
1950
1952
1954
1956
1958
1960
1962
1964
1966
1967
1968

Greeley Bank Deposits Per Cent Held, 1944–1968



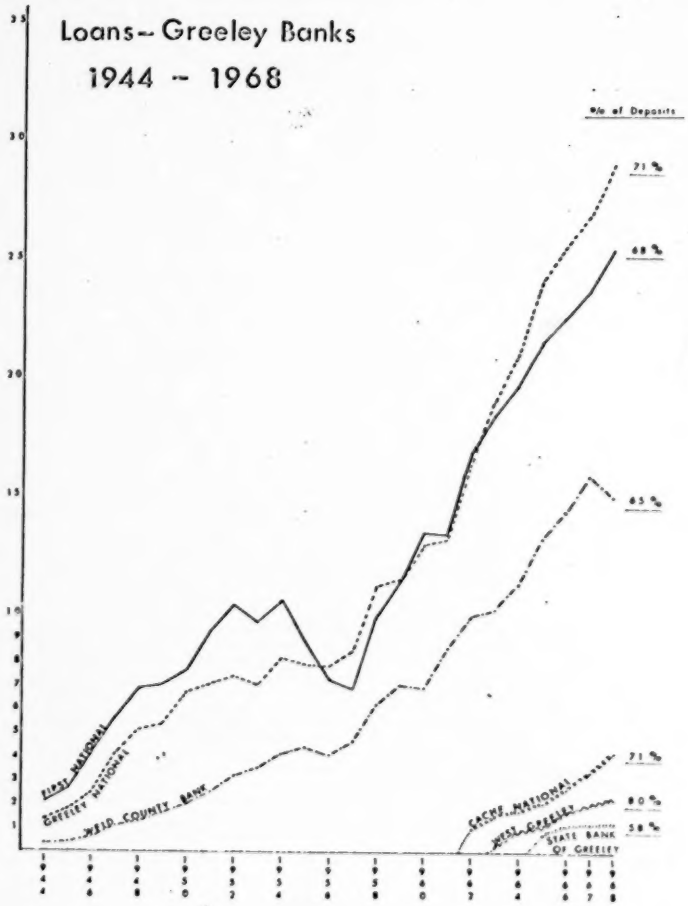
(3)

Millions

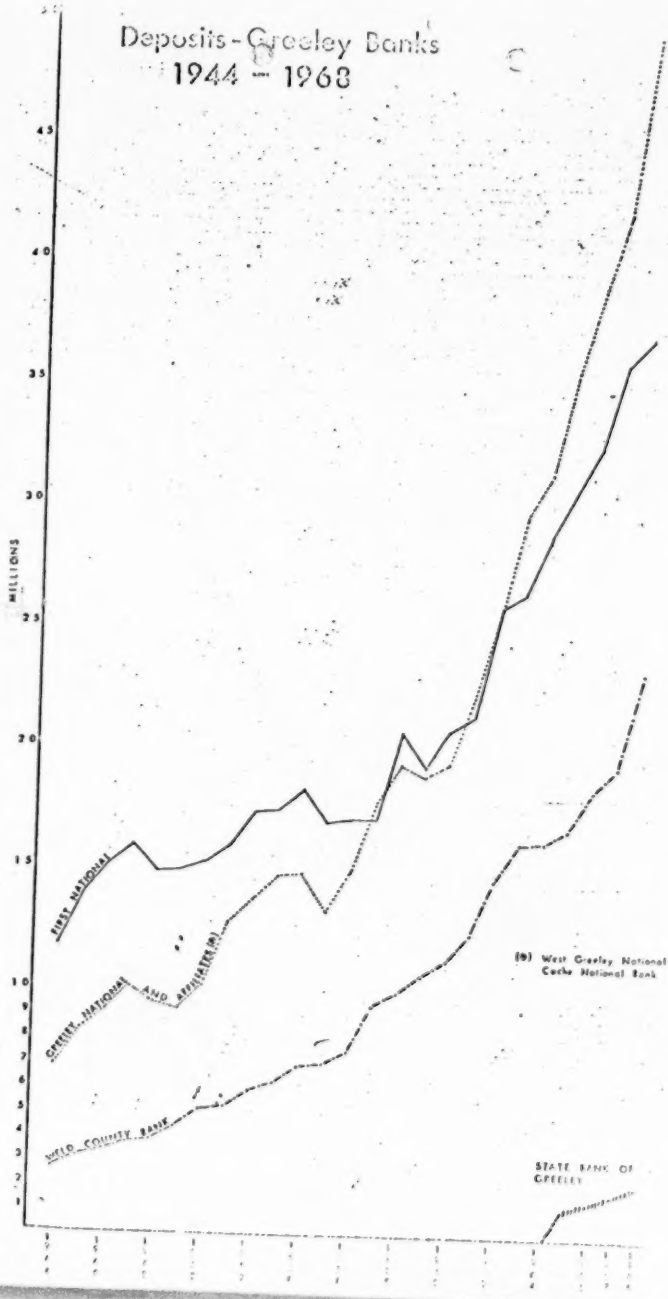

Total Loans & Deposits
All Greeley Banks
1944 - 1968
DEPOSITS
LOANS

(4)

Millions


Loans-- Greeley Banks
1944 - 1968
% of Deposits
71 %
68 %
65 %
71 %
80 %
58 %
FIRST NATIONAL
GREELEY NATIONAL
WELD COUNTY BANK
CACHE NATIONAL
WEST GREELEY
STATE BANK OF GREELEY

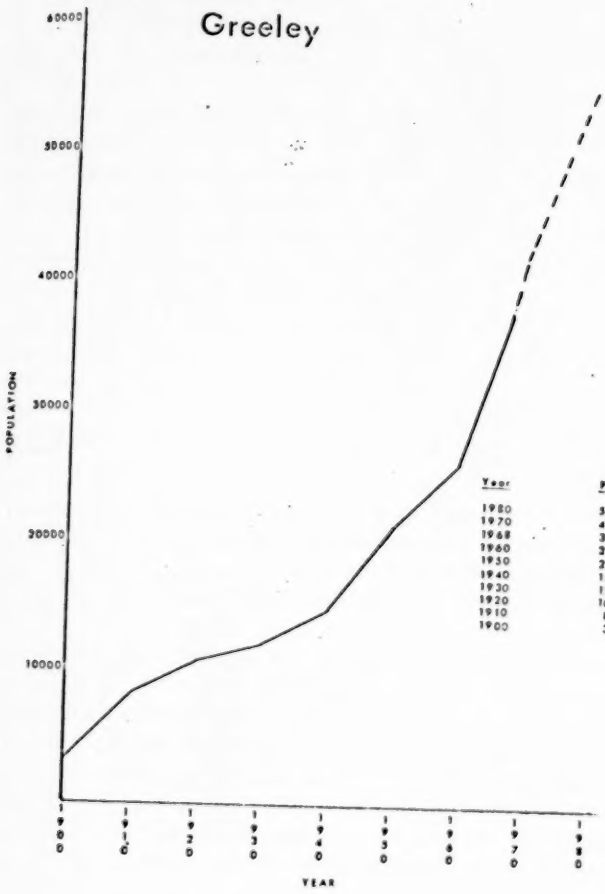
(5)


Deposits - Greeley Banks
1944 - 1968
MILLIONS
45
40
35
30
25
20
15
10
9
8
7
6
5
4
3
2
1
FIRST NATIONAL
GREELEY NATIONAL AND AFFILIATE (a)
WELD COUNTY BANK
STATE BANK OF GREELEY
(a) West Greeley National
Cache National Bank

(6)

Population Trends

Greeley



Year	Population
1980	55,000
1970	42,000
1968	37,971
1960	26,314
1950	21,354
1940	15,995
1930	12,203
1920	10,958
1910	8,179
1900	3,023

Source: Greeley- Weld County Industrial Business Development Foundation, Inc

1. *Extent to which community needs for banking services are going unserved.*

Appendix A—at the end of this exhibit—sets forth a comparison of the banking, trust and investment services offered by The First National Bank of Denver, Applicant's principal subsidiary, with those offered by Greeley and (to the best of Applicant's available information) its competing commercial banks.

While many of the services offered by Greeley, as shown in Appendix A, are characterized under the heading "Full Service," the quality of the service offered is in many cases below that which customers in the area will be able to receive should this Application be approved.

Applicant believes that reference to Appendix A clearly sets forth in detail the extent to which "community needs for banking services are going unserved." If this Application is approved, Applicant will insure that each and every service provided on a "Full Service" basis by The First National Bank of Denver will be available and provided either directly or indirectly also on a "Full Service" basis to Greeley.

2. & 3. *Extent to which new services, not now conveniently available, are to be provided and contemplated changes in Bank's present services and the advantages which can reasonably be expected to accrue to the community as a result thereof.*

Applicant's principal subsidiary, and to a lesser extent Applicant's other subsidiaries, offer a variety of services to their customers, some of which are, in similar form, provided by other banks in the area, but which are not presently being offered by Greeley (Appendix A). As stated above each and every service provided by Applicant's principal subsidiary will be available or provided either directly or indirectly on a "Full Service" basis to Greeley.

Among these services not presently offered by Greeley but which will be are the following:

(a) *RevolvAccount.* The plan involves prior approval of credits of bank customers so that their overdrafts will automatically be honored up to a stated limit, which is $300-$2,000 in the case of First National, depending upon the customer. Greeley has adopted the BankAmericard plan, which permits total bor-

owings to cardholders of up to a $1,000 maximum in selected cases. The loan, however, is actually made and approved by The Colorado National Bank of Denver, and it is necessary for a Greeley bank officer to call that bank prior to making a loan. Moreover, until Greeley adopts BankAmericard's overdraft checking plan, the loan is not automatically granted through the simple issuance of a check by the customer and he must come to the Bank and request credit.

(b) *Blue Ribbon Savings.* Under this plan, if a depositor has a "Blue Ribbon" savings account of at least $1.00, he is paid daily interest, computed quarterly, at the rate of 5%, if his funds are kept in the bank for at least 90 days. This plan has special advantages over certificates of deposit. In the first place, the continual renewal and replacement of certificates is a drain on officer time; secondly, certificates of deposit normally have to be purchased in amount of $1,000 or more; and thirdly, the customer gets the higher rate regardless of the withdrawal date, after the first 90 days. Withdrawals may be made on the last day of each quarter or within 10 days thereafter on funds that have been on deposit at least 90 days. Otherwise, all funds which have been on deposit 90 days or more may be withdrawn any time with 90 days' written notice. Funds which have been on deposit less than 90 days may be withdrawn only under circumstances of extreme urgency or hardship. This quarterly computing of daily interest is equivalent to an annual rate of about 5.16% for the customer who keeps his money on deposit for a year. Blue Ribbon Savings accounts are available to Individuals, Businesses (corporate and non-corporate) as well as Non-Profit Organizations. Each account is fully assignable and may be used as loan collateral.

(c) *Account Reconciliation Plan.* This plan makes use of First National's sophisticated electronic equipment in the handling of account reconciliation. Two account reconciliation plans are made available: One, a partial plan which encompasses only paid items; the other, a full plan encompassing paid and

outstanding items. In either plan, the account reconciliation statement lists each check in number sequence, showing date of payment of checks; date of entry of outstanding checks; and other special transactions. In addition, on request, a special statement can be rendered on other than cycle dated; duplicate account reconciliation statement copies may be issued each statement cycle if desired; and a daily listing of account activity may be provided.

(d) *RecordAccount.* RecordAccount is a record-keeping service for individuals or business which is designed to eliminate a substantial amount of "tedious" bookkeeping; classify receipts and disbursements; gives monthly and year-to-date totals; provides tax information to the customer; and keeps a customer's records up to date.

To the exent that such new services are provided by Greeley, the convenience and needs of the community will be better served. In addition, to the extent that others are providing the same or similar services, the community will be better served by having a suitable alternative for such services.

The principal contributions that the proposed acquisition will make to the convenience and needs of the area which Greeley serves fall in the following categories: (a) It will make it possible for Greeley to offer a full range of specialized banking and credit services to individuals and businesses in the area, many of which are currently available only to a limited extent; (b) Agricultural credit; (c) Real Estate financing; (d) Improved trust and investment advisory services; (e) International banking services, practically none of which are currently available at Greeley nor any of its competing banks; (f) Marketing, Advertising and Public Relations; and (g) Improved management training and replacement programs.

(a) *Full Range of Banking and Credit Services.* All of the specialized banking and credit services to individuals and businesses in the Greeley area which are presently being provided for only on a "Limited Service" basis, on a correspondent basis or which are not being provided at all, will through the Applicant and its principal subsidiary, The First National Bank of Denver, be able to be provided on a "Full Service" basis should this application be ap-

proved. This will be possible through the coordination by the Applicant of the knowledge and expertise of the personnel presently providing these services. For instance, in the area of installment loans the officer in charge of the installment loan division of First of Denver feels very strongly that Greeley could handle more business without additional help. The installment loan department of Greeley is presently not computerized due in part to the fact that they have only 1,600 individual accounts, and Greeley's management feels that with this limited number of accounts computerization would not be economical. However, should Greeley become affiliated with Applicant, the department would be computerized as soon as possible and an aggressive advertising and sales promotion effort would be undertaken which Applicant feels would result in successfully developing more business which would then justify computerization of the department. Also in this area of installment lending, Greeley will provide the following services which they are not presently providing: (a) direct airplane financing; (b) indirect lease financing; (c) indirect mobile home financing; (d) revolving credit; (e) direct home improvement loans other than Title One FHA loans; and (f) indirect motorboat, trailer and motor financing. Thus, approval of this application will contribute significantly to meeting the present needs and conveniences and growing demands of the community.

(b) *Agricultural credit.* As of December 31, 1968, Greeley's loans equaled 68% of its deposit liabilities and 75% of its non-public deposits. Of Greeley's loan portfolio on such date, 41% was in farm loans (excluding farm real estate loans). During the years 1964 to 1968 the per cent of the loan portfolio attributable to farm loans increased 6 percentage points (from 35% of total loans outstanding to 41% as previously stated), while the per cent of the loan portfolio in real estate loans (excluding farm real estate) only increased 3 percentage points, during the same period consumer loans *decreased* 2 percentage points, commercial and industrial loans *decreased* 3 percentage points and farm real estate loans *decreased* 2 percentage points.

This high percentage (41%) of Greeley's loan portfolio in farm loans (excluding farm loans (excluding farm real estate loans) tends to limit the deposit growth of Greeley since, traditionally, farm loans do not generate deposits

to the same extent as do commercial loans. And any such limitation in deposit growth reduces, to that extent, Greeley's ability to provide lendable funds for other segments of the economy in the community.

It is apparent, therefore, that it would be desirable for Greeley, in order better to serve the *entire* economy of the area, to *reduce* the percentage of its total loan portfolio in farm loans, and yet continue to provide agricultural credit to the same (or greater) degree to meet the agricultural credit needs of the community. To this end, so that Greeley will be in a better position to serve the agricultural needs of the area, and at the same time improve its ability to serve the other growing segments of the economy, Applicant, if this application is approved, intends *immediately* to organize an Agricultural Credit Corporation as a wholly-owned subsidiary, subject only to the ability of Applicant to raise the necessary capital either by borrowing or by the issuance of securities. It is anticipated that Applicant's proposed Agricultural Credit subsidiary will be *initially* capitalized at $500,000, and that said subsidiary will enter into the usual agreement with The Federal Intermediate Credit Bank of Wichita, Kansas. The Federal Intermediate Credit Bank will then discount acceptable farm loans made or purchased by the Agricultural Credit subsidiary at up to four times ($2,000,00) the subsidiary's capital, and, following a satisfactory examination of the subsidiary by The Federal Intermediate Credit Bank (after approximately one year of operation), at up to seven times ($3,500,000) the subsidiary's capital. All such farm loans sold to The Federal Intermediate Credit Bank are discounted with full recourse on the subsidiary Agricultural Credit Corporation only. Applicant is of the opinion that the organization of a wholly-owned Agricultural Credit Corporation subsidiary is permissible under the Bank Holding Act, as amended. Applicant believes that such an investment of $500,000 to form its Agricultural Credit subsidiary will return at lease 10% to Applicant on its invested capital by the end of the second year of operation.

The Executive Vice President of Greeley has stated to the Applicant that, in 1968, while it was believed all requests for agricultural credit were *adequately* met, such agricultural loans were starving the development of other types of loans. Procedurally, the Agricultural Credit sub-

sidiary would purchase from Greeley some existing and all new qualifying agricultural loans, which loans it would, in turn, discount to The Federal Intermediate Credit Bank of Wichita. Greeley, for a service fee would act as servicing agent for these loans.

While the activities of Applicant's Agricultural Credit Corporation will not be limited to Greeley's service area, it will favor the purchase of loans made or initiated by Greeley, in order to carry out Applicant's stated purpose of helping Greeley better to meet the needs and convenience of the community to be served. Of course, in addition to providing greater farm lending capability through the organization of the Agricultural Credit Corporation, Greeley, as a member of Applicant's group of banks, can reasonably expect more readily to participate its farm loans (not usually regarded too highly by city banks) with members of the group. This is true since, because of the permanence and the relationship of Applicant's subsidiaries to each other and to the Applicant, each subsidiary has a greater "call" on the other than it otherwise would should there be merely a "correspondent" relationship.

Applicant is certain that the contemplated changes described above will have a *significant* effect in meeting the total economic needs of the community to be served, as well as the anticipated large future demand for agricultural credit in the area. While Greeley could, of course, start its own agricultural credit corporation the amount of capital required is such that Greeley believes to do so would be impractical and unwise at the present time.

(c) *Real Estate Financing.*

1. *Commercial Bank Mortgage Lending—General.* In the last decade, commercial banks throughout the United State have recognized that they must help provide the funds needed to finance the great demand for housing units. This is definitely illustrated by the fact that during this decade commercial banks have increased their mortgage holdings from $28 billion to $68 billion. As banks continue the trend to become "full service" banks, their mortgage holdings will continue to increase. A bank's ability to hold long term mortgage loans is naturally limited by the size of its deposits, capital funds and the credit demands of others. It has been particularly difficult for smaller banks to contribute significantly to the mortgage loan demands

of their communities, and even more so in the capital scarce areas of the West. A few small banking institutions have attracted mortgage funds to their communities by establishing a sophisticated mortgage banking operation.

Mortgage banking has been done historically by modestly capitalized corporations other than commercial banks which originate long term mortgage loans, sell the loans to large financial institutions such as life insurance companies, Eastern savings banks, large pension funds, and some savings and loan associations, with servicing retained by the originator. It should be noted that in the Greeley area, the Greeley National Bank is the only commercial bank originating and selling to institutional investors a significant number of mortgage loans ($15,000,000), thereby giving it a competitive advantage over other commercial banks in the area. The First National Bank of Greeley has no institutional investors to whom it may sell mortgage loans. Such institutional investors will be provided through the 40 investors represented by The First National Bank of Denver, thereby making the First National Bank of Greeley more competitive with the Greeley National and other banks, and also providing additional mortgage loan funds for Greeley and the surrounding communities. The largest suppliers of mortgage funds in the area currently are savings and loan associations and direct lending by insurance companies. The mortgage banking facilities of The First National Bank of Denver would also enable the First of Greeley to more favorably compete with these financial institutions, providing a significant banking alternative.

2. *First of Denver Real Estate Loan Operation.* The Real Estate Department of The First National Bank of Denver primarily serves the five county Denver metropolitan area, and is the largest provider of construction and long term mortgage loans in the five county area. For example, during the first seven months of 1969, published recorded statistics indicate that The First of Denver recorded $39.3 million, compared to the next largest recorder, Western Federal Savings & Loan, of $34.4 million.

In line with the national trend, during the last decade of commercial banks increasing their mortgage lending activity, The First National Bank of Denver has developed a very large real estate loan department. It has increased its construction loan lending from $5 million outstanding

in 1965 to $20 million in 1969. Because of its knowledge and expertise in the field, it has been able to sell participations to large Eastern banks; over the last few years averaging $20 million outstanding in addition to its own outstandings. It is virtually impossible for a small bank such as the First National of Greeley, without a sophisticated real estate department, to attract this type of money to its community from the large Eastern banks. It is contemplated that with the assistance of The First National Bank of Denver, a real estate department will be developed in the First of Greeley, and The First of Denver through its sources will provide additional construction loan money to the Greeley and surrounding communities.

The First National Bank of Denver, being in a capital scarce area as far as mortgage funds are concerned and an area of strong credit demands from others than real estate borrowers, has a limited amount of money available for long term real estate loans. Recognizing this, and following the national trend of over 100 banks which in the past several years acquired mortgage banking firms, The First National Bank of Denver, in July of 1968, completed the acquisition of mortgage loan servicing contracts of the Mortgage Investments Company, the largest mortgage banking firm in the Rocky Mountain region. Through the acquisition of these servicing contracts, The First National Bank of Denver now represents 40 institutional investors who make available long term mortgage loan funds through The First National Bank of Denver. First National is at present servicing loans totaling approximately $271,000,000. These investors if this Application is approved will be represented by Greeley, thereby providing significant additional long term mortgage loan funds to the Greeley area.

Mortgage Investments Company maintained four branch offices, one each in the Happy Canyon Shopping Center and Bear Valley Shopping Center in Denver, one in Colorado Springs and one in Greeley. Following consummation of the purchase, First National acquired all applicable personnel of Mortgage Investments Company and those who were employed in the branch offices continued on as employees of First National. First National by assignment became lessee of offices. These offices now became "Loan Production Offices" of First National and as such the business transacted there was significantly restricted due to Colorado Anti-Branch Banking laws. Full service to

mortgage loan borrowers is thus not possible. Loan production offices are not permitted to disburse loan proceeds nor to collect payments on mortgages after they are made. Loan production offices are limited to the solicitation and processing of loan applications. Closings must be consummated through a title insurance company acting as disburser of the loan funds which, in effect, increases the cost of originating a mortgage loan by some $50-$75 per loan. As a result the Greeley loan production office does not make construction loans because of this cumbersome manner of doing business and the additional cost. Additional cost to the loan production office for making a construction loan would be in excess of $100. The continuance of these former branch offices as loan production offices was a natural result of the purchase. Since that time effectiveness and profitability of these loan production offices has been under constant review and on November 29, 1968, the office in the Happy Canyon Shopping Center was closed. The office in the Bear Valley Shopping Center was closed September 12, 1969. The loan production office in Greeley has been operating at a loss and the officer in charge of the First National's Real Estate Department is currently carefully evaluating whether to close this office because of its unprofitability brought on by its restrictive operation. Continuation or closing of these loan production offices whether in Denver, Colorado Springs or Greeley, of course, has nothing to do with Applicant's proposal to acquire Greeley. Therefore, Applicant would vigorously deny the relevancy of any argument that if First National were, in fact, to clost its Greeley loan production office such could be considered an anti-competative factor in terms of this Application. To do so would be like comparing apples and oranges, or like concluding that eliminating a service currently provided any of Applicant's subsidiaries is anti-competitive in terms of this Application.

By instituting a "Full Service" real estate department at Greeley, Greeley will be able significantly to contribute to meeting the present demands for real estate financing of all kinds, particularly in the category of construction and long term mortgage loans in the residential field. A banking alternative in the area of providing residential mortgage loans will become more and more important in meeting the convenience and needs of the people in the Greeley area. One, and only one, example of this is the

arge number of well-paid employees which are and will continue to be employed in increasing numbers by Kodak at Windsor. As pointed out above, only if this application is approved will Greeley be able to provide such real estate loan services on a "Full Service" basis.

The following is an additional example of the type of service which it will be possible to provide in the Greeley area, but only, applicant believes, if this application is approved.

The 1968 National Congress established a new agency, Government National Mortgage Association (GNMA), whose primary function under the auspices of HUD will be to supervise, regulate and audit associations which will issue public securities which will be fully secured by FHA insured and VA guaranteed mortgage loans. GNMA will guarantee the securities issued, which guarantee is an obligation of the United States Treasury Department. Proposed regulations governing the corporate issuer have been distributed and the final regulations will be published some time during the month of September. Proposed regulations provide, among other things, for the following:

1. No issue of securities will be approved for guaranty unless the issuer has a net worth in assets, acceptable to the Association, of not less than 3% of the amount of guaranteed securities to be oustanding after each issue.
2. Each issue of guaranteed securities must be in a minimum face amount of $5 million.
3. The initial face amount of any security cannot be less than $100,000.
4. Each issue of guaranteed securities must be backed by a separate pool of mortgages which have been insured or guaranteed no longer than six months prior to the date on which the Association enters into a commitment to guarantee the securities.

These few proposed regulations imply that it will be difficult for banks and small corporations to become an issuer of the GNMA guaranteed securities. With the knowledgeable Real Estate Department of The First National Bank of Denver and with its large volume of mortgage loan originations, together with its large capital structure, The First National Bank of Denver can and will pool with its FHA and VA loans those of The First of Greeley and

applicant's other subsidiaries for the purpose of issuing GNMA guaranteed securities. Most smaller banking institutions will not have the know-how, the volume of FHA and VA loans, nor the capital structure to issue such securities.

(d) *Improved Trust and Investment Advisory Services*

The problem of providing adequate trust services to a community which has residents of substantial worth and prosperous business enterprises, but which is not a major center of population and wealth, has always been a difficult one. Banks in such communities feel that failure to offer trust services results in the loss of customers and their deposits to the banks in the nearest financial center, and once one bank in such a community opens a trust department, then other banks within the community feel that for competitive reasons they must offer trust services also. While it cannot be said that there is a specific volume of trust business above which the operation of a trust department can be profitable, but below which the operation of a trust department cannot be profitable, it is the clear consensus of those knowledgeable in trust work that trust departments of the size which exist in the city of Greeley, including the trust department of The First National Bank of Greeley, cannot—if adequately staffed—operate at a profit and, if it is sought to make a profit possible through holding staffing at an inadequate level, that such departments cannot render an adequate trust service to the community. In ability or unwillingness to provide an adequate staff for trust work also exposes the bank operating a trust department to the possibility of liability and loss through surcharge due to an inadequate or ineffective trust operation.

The effective utilization of assistance which could be supplied, and in the event of the approval of this application would be supplied, by The First National Bank of Denver, the major bank controlled by applicant, presents a feasible way of increasing very substantially both the quality and quantity of trust service which could be rendered by Greeley to the community which it serves.

According to the *Directory of Trust Institutions, 1968*, three banks namely: First National Bank of Greeley, The Greeley National and Weld County Bank in Greeley maintained trust departments, and they report their assets at, respectively, $10,000,000, $8,000,000 and $7,000,000. It is

he applicant's belief that no trust department in the city f Greeley is adequately staffed to render the full measure f trust service to which the community is entitled, and that his is due to the limitations on the experience, training nd background of trust personnel in the city of Greeley, nd the inability of the area banks to provide to their trust epartments needed investment materials, data processing acilities, and the like. Thus the community needs and onveniences of the area are not being conveniently ful- illed by any of the city of Greeley's trust departments. reas in which there is a significant lack of service, or in hich due to lack of experience, background and facilities he presently offered service is considered to be inadequate o the needs of the community, are as follows:

Investment Service

Greeley offers this service only on a limited basis. Personnel within its trust department are neither skilled nor experienced in investment work. Greeley's sole source of investment information is the investment advisory service offered by the Harris Trust and Savings Bank of Chicago at an annual fee of $3000 to subscribing banks, and this service relates only to common stocks. Greeley's personnel (three officers) and the information services available for them to utilize as a foundation for the formation and exercise of investment judgment are not adequate to permit the offering of a worthwhile investment advisory service to the community. The same personnel and supporting investment service also discharge the trust department's function in the investment of its trust funds; and the same lack of skilled and qualified personnel, and current investment information to support personnel, impairs Greeley's ability to perform the investment function in its trust just as it impairs its ability to offer a satisfactory advisory service.

Pension and Profit Sharing Service

Greeley offers these services only to a very limited degree, and the personnel of Greeley's trust department are unable to provide in proper degree the assistance in the design of retirement plans and in the compliance with approval and reporting requirements necessary adequately to serve the companies and individuals in the community interested in the implemen-

tation of such plans. The business and industrial growth in the Greeley area, the growing trend toward the incorporation of professional groups, and the continued rapid growth in the proportion of existing corporations which are establishing retirement plans for the benefit of their employees will combine to create a growing market and demand for pension and profit sharing services which cannot be met adequately by the trust departments of the area banks as presently staffed and supported.

Business Development

Primarily due to limited staff and budget, it is not possible for Greeley to devote sufficient time and talent to the solicitation of new business to constitute a thorough offer of even such services as it has available to those who would be benefitted by such services. Greeley's ability to counsel customers in the fields of estate and tax planning is limited by the limitations of its personnel. Greeley's direct mail and related advertising programs need revision and enlargement in order adequately to present even their present limited services to their market. Relationships with attorneys, accountants, life insurance underwriters and other professional and occupational groups which should constitute sources of new business need to be established and strengthened.

Operational Procedures

The majority of Greeley's trust department's accounting and reporting is done manually and consequently without the speed, accuracy and efficiency which necessarily results from a computerized operation. The statement of assets held, presently being supplied to trust customers, is not as complete and informative as we believe it should be to reflect properly the status of the account. The modernization of Greeley's operational procedures would require not only the utilization of modern office machinery, but also a staff of competent, technically trained personnel.

Applicant's Ability to Improve Greeley's Trust Services

The Trust Department of The First National Bank of Denver, the major banking units controlled by applicant, is by a wide margin the largest and most ex-

perienced in the Rocky Mountain region. If this application is approved, it is the intention of applicant to make available to Greeley the help and assistance of the various specialized divisions within the Trust Department of The First National Bank of Denver, and to cause Greeley to utilize the available skill and experience, as well as the investment reporting and analysis services and other facilities utilized by the Denver Trust Department in the performance of its services. Specifically, within the investment field, Greeley will have access to the wide range of investment reporting and analytical services which the Denver department received from investment houses, security research firms, and other banks. Greeley will also have the benefit of the judgment, skill and experience of the Denver department's investment officers. Within the pension and profit sharing field, the experience of the Denver bank's personnel will be made available to Greeley; and forms, procedures and routines developed by the Denver department and found to be effective will also be available to Greeley. In the operational field, the possibility of developing a substantially more extensive system of reporting trust department transactions to beneficiaries and developing a much more informative manner of supplying pertinent information on investments held in trust accounts to beneficiaries will be explored. The Denver bank is presently engaged in the installation of a very comprehensive electronic data processing system for its Trust Department, and the possibility of the utilization of this system for the accounting and bookkeeping purposes of Greeley's trust department holds substantial promise of improvement of Greeley's trust service.

The improvement of trust services in the areas outlined herein, and in other areas as well, (see Appendix A, Comparison of Existing Services . . .), can be accomplished more effectively by bringing Greeley into the Applicant holding company than in any other way. While it is possible for a bank with a major trust department to be helpful to its correspondent banks, including Greeley, such help as they might desire to accept in improving their trust department services, the help so rendered has been very limited and of far less effectiveness than would be in the case if The

First National Banks of Denver and Greeley were associated within the holding company framework. Considerations of personal pride, territorial loyalty and lack of wholly effective communication on both sides of even a close and cordial correspondent relationship, prevent the complete and rapid flow of information from one bank to another which is essential if Greeley's customers are to have the benefit of the higher level of trust service which Greeley could render with the help of trust knowledge and experience available from the major bank within the holding company. It is only when identity of effort, control and profit motive exist between the two banks involved, brought about by common ownership and control by applicant, that the greatest improvement in Greeley's trust services can be accomplished. Since, as stated above, the Trust Department of The First National Bank of Denver is by a wide margin the largest and most experienced in the Rocky Mountain region, no other present or proposed bank holding company is or will be able to provide, through its affiliation with any Greeley bank, the same conveniences or meet the needs of the community to be served to the extent that Greeley will should this application be approved.

(e) *International Banking Services*

The current administration in Washington is making every effort to stress United States export policy by the continued development of governmental assistance programs currently available through the local banking system. The implementation of the export policy can be aided, or more readily brought about, through the extension of international banking services provided by local banks.

INTERNATIONAL TRADE POTENTIAL OF THE WELD COUNTY AREA

The *Rocky Mountain News* of September 5, 1969 refers to Weld County as the richest farm county east of the Rockies, and the seventh richest farm county in the Nation. The article also states that the county's farm economy is further boosted by the presence of Monfort Feed Lots which feeds 100,000 head of cattle daily, the world's largest under private ownership. This fruitful county paralleling the east range of the Colorado Rockies is larger than

e Island, Delaware, and the District of Columbia
ined.

addition to its rich farm economy, Weld County as
ed out above is fast gaining attention as an unusually
ising location for industrial expansion, for example,
uclear power plant being constructed near Platteville,
he major new plant of Eastman Kodak Company near
sor. Ampex, Hewlett Packard, Minneapolis Honey-
Orbintronics, Inc., Bendix Corporation, Ferroxcube,
ist a few of the many companies attracted to Colorado
ent years, and all having international markets. As
ype of expansion continues into Colorado and more
ularly the Weld County Area, without question there
e need for a bank in the Greeley area offering full
international services.

U. S. Department of Commerce Field Office in Denver
tes that the Weld County area, of which Greeley is
ub, is an increasingly important contributor to the
sion and development of export trade. Approximately
r cent of Weld County firms are currently exporting,
appears from evaluation of manufacturing industries
his percentage could increase to 40-50 per cent in the
o distant future. Although no export volume figures
ailable by individual county breakdown, it is believed
Weld County will continue to make a sizeable contribu-
o Colorado's present export volume of approximately
00,000 annually.

export volume increases, there will be on site require-
for a local bank capable of offering the full range
ernational banking services on a direct basis. Only
gh knowledgeable banking personnel readily available
areas of market development, export financing, for-
contracts, foreign exchange, letters of credit and
entation, will the export potential of the Greeley
e rapidly and effectively developed, encouraging fur-
rowth.

example, the International Division of The First
nal Bank of Denver reports a recent trip to Colorado
gs, visiting correspondent banks in the area, in which
nks contacted stated that although they were unaware
export and international trade potential, they would
h referrels to their Denver correspondent if requested
e customer. How much better, if the necessary serv-

ices were actively merchandised in order to develop fully export sales growth in the Colorado Springs area.

What International Banking Services Are Currently Available in Greeley

Full Scale Travelers Checks

This basic financial service is made available to virtually all commercial banks through the principal issuers, American Express Company, The First National City Bank of New York, and Bank of America, N.A. These instruments may be negotiated by travelers throughout the world; however, this fundamental service, while obviously important, is essentially retail by definition, oriented toward the individual banking customer. It is important to note that this is the *only* international banking service currently available on a full-scale basis in the Greeley area.

International Banking Services Having Limited Availability

Travelers Letters of Credit

These instruments are obligations of the issuer, primarily American Express Company and First National City Bank of New York, and entitle the beneficiary to draw against the credit up to the total amount issued anywhere throughout the world. It is the understanding of Applicant that these letters are currently issued on a limited direct basis by the Greeley banks, and are also provided through their Denver and larger money center correspondents. This, too, is a service not actively merchandised by the Weld County banks. Although primarily a retail service, these letters may be used by businessmen traveling extensively abroad over an extended period of time, and can be an important tool of international commerce. The International Division of The First National Bank of Denver reports that if Greeley were a subsidiary of Applicant, blocks of unissued letters could be transferred to the control of Greeley, thereby minimizing paper work and facilitating the direct issuance of the same.

Letters of Introduction

Letters of introduction are used primarily to assist bank customers traveling abroad to make necessary business

tacts and develop export sales. Although this service currently provided on a limited basis by Weld County ks, primarily through regional correspondents, the In- national Division of The First National Bank of Denver orts that to be most effective such letters should be ied by a bank having international stature and world- le correspondent relationships. Recently a letter of in- duction was issued by First National in order to assist official of C.F. & I. Steel Corporation in establishing tacts on a trade development trip to Japan.

a subsidiary of Applicant, Greeley could directly vide this service to its banking customers, utilizing the gnition and contacts of all the subsidiary banks. Offi- of Greeley would have their signatures registered with foreign banks, thereby insuring acceptance and co- ration.

* * * * * * * * * * *

he three services mentioned currently available on a ct or limited basis to Weld County corporations con- ite an extremely limited inventory for even the present ls in this important commercial area. Should Greeley pproved as a subsidiary of Applicant, The First Na- l Bank of Denver would stand prepared to train and an International Department for Greeley. This d not be warranted through traditional correspondent relationships.

Acceptance Financing

Acceptance Financing covers both Trade Acceptances and Bankers Acceptances.

The service of financing acceptances if directly available in the Weld County area would greatly facilitate the development of export/import trade, and would create an important new source of working capital.

Advances Against Collections

Arrangements may be made whereby Greeley as a subsidiary bank of Applicant may be willing to advance or grant a line of credit to an exporter for advances against his documentary drafts with all advances being made on a with recourse basis in the event of non payment of the draft. The advances so made plus all charges, expenses and interest incurred would be debited back to the exporter's account. The various and sundry forms and regulations governing this type of transaction would be made available to Greeley by First National.

Commercial Letters of Credit

In the important area of commercial letters of credit, at present, Greeley and its competing banks are providing this service to a limited extent through regional (such as Denver) correspondents and their larger money center correspondents. Should this application be approved, this service would be offered on an on-site basis by trained personnel. Commercial letters of credit are generally recognized to encompass two areas, import and export transactions. While it is true that in the area of commercial import letters of credit, Greeley could continue to provide the service through the traditional correspondent relationships, the present limited service would be upgraded by providing this service directly.

Commercial export letters of credit require review by the remitting bank of documentation, preparation of drafts and compliance with the terms of the letter of credit issued by the foreign bank. It is the understanding of the Interna-

l Division of First National that export letters of
t currently received in the Greeley area by some of the
r exporters are being processed through the larger
y center banks, rather than through a Greeley bank,
at the service is not generally available in Greeley at
resent time. Only if Greeley is affiliated with the Ap-
nt could this particular service be provided on a full
ce basis to customers in the Greeley area on a direct
because: (a) of the necessary expertise required;
hat even should Greeley acquire such expertise, foreign
s would not be apt to recognize the Greeley bank.
mmercial letters of credit emphasize the need of a full
ice bank with trained personnel. The International
sion of First National cites the following example of
difficulties experienced by a national concern with manu-
ring facilities in Denver.
is company shipped to a South American buyer after
ng prepared all documents and effected shipment
gh compliance with the terms of the purchase order
er than the letter of credit issued by the foreign bank.
terms and conditions of the letter of credit were not
and as a result, payment was refused. At this point,
mpany representative was referred to First National
entered the bank with an arm load of documents and
espondence. Through connections both nationally and
rnationally and through the knowledge of the Interna-
l Division, gained only through experience, the prob-
were solved and remittance is now being obtained.
important to recognize the value of the assistance pro-
d by knowledgeable banks in export trade.
e refer to "Exhibit A" as a similar example, with
fics attached.

Export Credit Insurance and Guarantees

port credit insurance comprises one of the essential
s of export financing. As an example of services offered
e area of export financing, The First National Bank
enver is currently considering obtaining a Foreign
it Insurance Association policy which would insure
exporters for both political and commercial risks, up
per cent political and 90 per cent commercial, covering
shipments worldwide. (Commercial banks are author-

ized to participate in this governmental assistance program.)

The International Division of First National reports that a preliminary phone call to the San Francisco office of FCIA indicates that such a policy could be issued in the name of Applicant thereby enabling all subsidiary banks to insure directly and finance their export customers. Although any commercial bank may now obtain a policy directly, as a practical matter its use would be determinate upon capability of foreign credit reporting, export documentation, and repetitive transactions.

Foreign Collections

Foreign Collections, as in the case of all the international services requires the expertise of a readily available trained staff.

Documentary drafts relative to foreign collections requires not only a knowledge of collection, but additional knowledge of the foreign governmental controls instituted to regulate the out-flow of foreign exchange, more specifically U. S. Dollars. In order that payments of these items not be delayed, the documents attached to the drafts, be they time or sight, must be examined for compliance with the letter of credit, or if no credit is issued, in compliance with the regulations governing the particular country involved.

Foreign Correspondents

International trade is a two way street and must provide equal benefits to all participants. As a member of The First National Bancorporation, Greeley could participate in the benefits of First National's long-standing and important foreign correspondent relationships. Through this network of full service international banking facilities, Weld County banking could keep pace with the ever expanding role of Colorado commerce and industry. Applicant believes that currently there is no direct contact between Weld County area banks and financial centers located throughout the world. It is only through development of such relationships that trade dollars and documentation will flow smoothly between Weld County exporters and their foreign buyers.

Foreign Credit Information and Investigation

This service is truly of great importance to the ever ex-
nding role that Weld County now plays in export trade.
e First National Bank of Greeley as a member of Appli-
t could offer to its customers the benefits of a research
partment capable of obtaining new sales outlets and new
rces of finished or raw materials for customers in addi-
n to developing necessary credit information.
As a member bank Greeley could provide this information
re readily, inasmuch as direct contacts overseas would
available to them. Other sources such as the U. S. De-
tment of Commerce, Bureau of International Commerce,
tional Association of Credit Management of New York
The Foreign Credit Interchange Bureau, while gen-
lly available to them presently, could be more easily
ained through the Applicant's facilities.

Foreign Exchange Purchase and Sale

This phrase is generally used to denote transactions in-
ving the purchase and sale of foreign currency and coin,
well as checks, drafts and similar instruments.
pecifically, it is the conversion of the money of one
ntry into the equivalent of that of another country. This
n of international service is one that requires day to day
tact with the money centers and an understanding of the
ious facets that cause fluctuations in the foreign money
ket. As a member of The First National Bancorpora-
, Inc., Greeley with its trained staff could render this
ice on an immediate basis for its banking customers,
reas under a correspondent relationship these items are
lly provided on a collection item basis thereby causing
ue delay of remittance to customers.

Foreign Trade Specialists

n important tool in the expansion of any area—indus-
and agricultural, is the development of new sales out-
and new sources of supplies, raw and finished. Appli-
believes Greeley, as a member of Applicant, would be
e best position to meet the requests of its customers, as
as using specialists as a development tool for new re-
nships. The International Division of First National
vs of no foreign trade specialists that are currently

available on the staffs of Greeley banks to provide counsel to the Greeley banking public in the areas of trade development and marketing. Further, they report that if The First National Bank of Greeley were a Bancorporation member, trained personnel would be available on a full time basis, subject to volume warranting, or through a regular calling program implemented directly by The First National Bank of Denver as a means of stimulating growth. Such a program would be warranted only with Greeley as a member bank.

Forward Exchange Contracts

From time to time an importer or an exporter will buy or sell merchandise under an agreement to pay or accept payment in a major foreign currency. In order to protect himself to the greatest degree from loss in exchange, advance arrangement can be made through a bank with international capability under which a contract is issued to buy or sell the foreign currency at a future date at an agreed rate. A contract that makes provision for the delivery or purchase of foreign exchange at a future date is known as a forward contract. A transaction involving the immediate execution of a buy or sell transaction is referred to as a "Spot Order".

Once again, forward contracts demand specialized knowledge in the areas of foreign exchange and contract financing. As a member bank, The First National Bank of Greeley would have trained personnel available to negotiate these contracts directly with Greeley area companies requiring this service.

In conclusion, Applicant believes that the fertile fields and burgeoning industrial complex of Weld County demand a degree of banking that will fully serve the needs and future growth of this promising area.

Acceptance, arbitrage, allonge, Bill of Lading, Foreign Exchange, CIF, CCO, documentary credit, ETA, Blocked Exchange, Futures Contract, Go-down, in bond, Letters of Credit, Marine Insurance, PTY, Red Clause, Ships Manifest, Trust Receipt, Warehouse Receipt—specific terms, yes, but as specifically used in day to day international operations moving goods and finance throughout the world.

These terms of art and the knowledge needed to bring them to life and in use in the Greeley area will become a

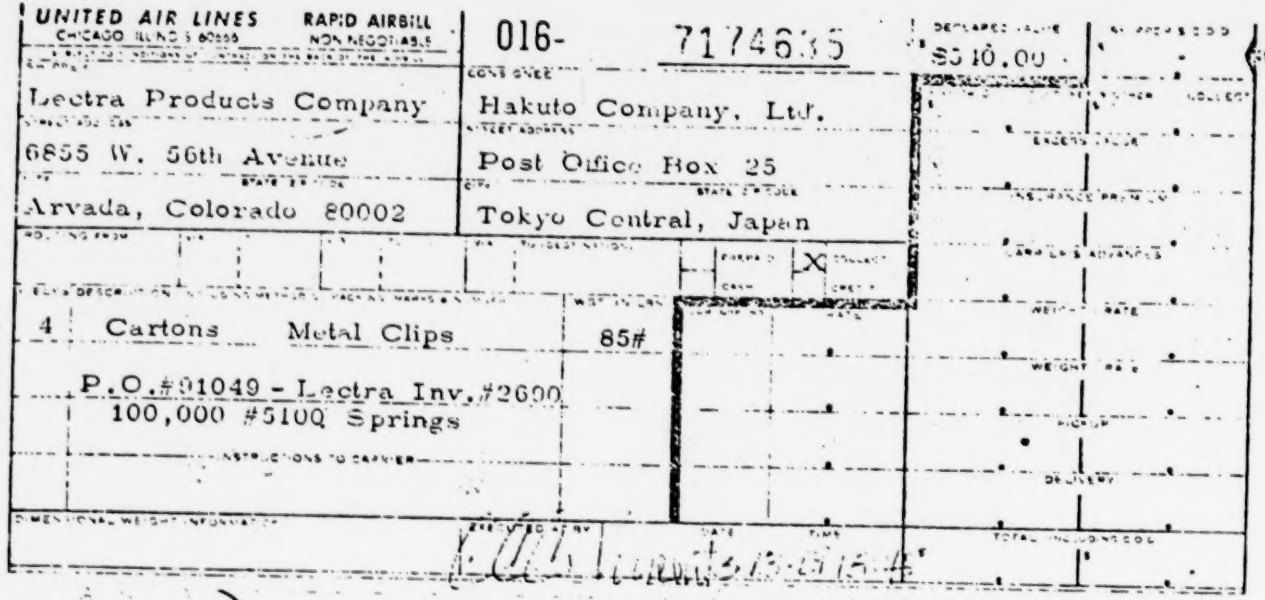
reality more readily if Greeley is permitted to become a subsidiary of Applicant because Applicant pledges to provide Greeley with such staff and expertise as is necessary to enable Greeley to offer the international banking services that the area does now require and will in the future need on an increasing scale.

Exhibit A

We present for your examination a sample of what can happen, when a customer of a correspondent bank without complete international facilities offering the expertise so necessary in international affairs presents incorrectly prepared documents for payment;

1. Bill of Lading—incorrectly consigned.
2. Bill of Lading—marked prepaid, should have been collect.
3. Bill of Lading—⅓ of original missing.
4. Invoices—lack import license number.
5. Credit—Overdrawn by $20.62.

After much telephone conversation, wires and letters we have obtained a partial payment of $2,446.12 as against a former unpaid collection item in the amount of $2,770.62. We are now in the process of obtaining the balance which should be forthcoming very shortly.



UNITED AIR LINES
CHICAGO ILLINOIS 60666
RAPID AIRBILL
NON NEGOTIABLE

016- 7174635

DECLARED VALUE $510.00

Lectra Products Company
6855 W. 56th Avenue
Arvada, Colorado 80002

Hakuto Company, Ltd.
Post Office Box 25
Tokyo Central, Japan

X

4 Cartons Metal Clips 85#

P.O.#01049 - Lectra Inv.#2600
100,000 #510Q Springs

C.O.D.

TR-10

BOOKED BY: GB

STATES STEAMSHIP COMPANY

BOOKING MEMO

DATE BOOKED: May 13, 1969 | FROM: Denver - Ex Seattle | TO: Yokohama

S.S. ARIZONA V.33 | VOYAGE: # 33 | DESTINATION: Yokohama

SHIPPER: LOCTRA PROD. COMPANY | FORWARDER: Via D-C Intl to Seattle | SUPPLIER: Semo Loctra

OVERLAND/LOCAL: Motor | POINT OF ORIGIN: Denver | LOADING BERTH: Seattle

BLADING FROM: Seattle | BLADING TO: Tokyo | ExDEC FROM: Denver

QUANTITY	COMMODITY	WEIGHT	MEAS.
Sixteen (16) Cartons # 5100 Spring Fasteners		1000 lbs	10 cu ft

CONSIGNED TO: FAKUDO COMPANY LIMITED TOKYO CENTRAL JAPAN

On Board Bills of Lading required by shipper. Shipper handling own documents

Address of Shipper: Loctra Products Company 6055 West 56th Avenue Arvada, 80002

FOR FURTHER INFORMATION CONTACT:

REMARKS: Mrs. Stanley at above address

STRAIGHT BILL OF LADING — SHORT FORM — Not Negotiable—ORIGINAL

BC INTERNATIONAL, INC.
GENERAL OFFICES: DENVER, COLORADO 80216

FROM	Lectra Products Company	SHIPPER'S NUMBER 304121
ADDRESS	6855 W. 56th Avenue Arvada, Colorado 80002	DATE 5-14-69 19__

RECEIVED, subject to the classifications and tariffs in effect on the date of the issue of this Bill of Lading.

CONSIGNED TO States Steamship Line

DESTINATION (STREET)	CITY	COUNTY	STATE
Pier 20 .	Seattle,		Washington

FINAL DESTINATION: to Hakuto Co. Ltd. P.O.Box 25 Tokyo Central, Japan

DELIVERING CARRIER

VEHICLE OR CAR INITIALS

NUMBER PACKAGES	KIND OF PACKAGE, DESCRIPTION OF ARTICLES, SPECIAL MARKS AND EXCEPTIONS	*WEIGHT (SUBJECT TO CORRECTION)	FOR CARRIER USE ONLY RATE	FOR CARRIER USE ONLY EXTENSION
16	Metal Clips	3424		
	Inv #49-14951			
	Trailer # 8038			
	P.O.#91049 - Lectra Inv.#2895			
	400,000 #5100 Springs			

Subject to Section 7 of conditions, if this shipment is to be delivered to consignee without recourse on the consignor, the consignor shall sign the following statement:
The carrier shall not make delivery of this shipment without payment of freight and all other lawful charges.

(Signature of Consignor)
If charges are to be prepaid, write or stamp here, "To be Prepaid."

To Be "PREPA

Received $ _____ to apply in prepayment of the charges on the property described hereon.

AGENT OR CASHIER

Per _____ (The signature here acknowledges the amount prepaid.)

THE AGREED OR DECLARED VALUE OF THE PROPERTY IS HEREBY SPECIFICALLY STATED BY THE SHIPPER TO BE NOT EXCEEDING $2190.00 PER

TOTAL

C.O.D.

REMIT C.O.D. TO

SHIPPER Lectra Products Co. (Don) PER

C.O.D. FEE TO BE PAID BY: SHIPPER ☐ CONSIGNEE ☐

C.O.D. FEE

AGENT

PERMANENT POST-OFFICE ADDRESS OF SHIPPER 6855 W. 56th Ave. Arvada, Colo.

TOTAL CHARGES

If the shipment moves between two ports by a carrier by water, the law requires that the bill of lading shall state whether it is "carrier's or shipper's weight."

NOTE—Where the rate is dependent on value, shippers are required to state specifically in writing the agreed or declared value of the property.

FIRST NATIONAL CITY BANK

ESTABLISHED 1812

CABLE ADDRESS "CITIBANK"

TOKYO, JAPAN May 17, 1969

CORRESPONDENT'S IRREVOCABLE STRAIGHT CREDIT

Lectra Products Co.
6855 West 56th Street Avenue
Arvada, Colorado 80002
U.S.A

F·N·C·B US$2750■00

ALL DRAFTS DRAWN HEREUNDER MUST BE MARKED:
DRAWN AS PER OUR ADVICE NO. 51776

DEAR SIRS:

WE ARE INSTRUCTED BY The Sumitomo Bank, Ltd., Tokyo • Tokyo
TO ADVISE YOU THAT THEY HAVE OPENED THEIR IRREVOCABLE CREDIT NO. GJ-86417 IN YOUR FAVOR
FOR ACCOUNT OF Hakuto Co., Ltd., Toranomon-Sangyo Bldg., 1, Kotohira-cho, Shiba, Minato-k
FOR A SUM OR SUMS NOT EXCEEDING A TOTAL OF U.S. Dollars Two Thousand Seven Hundred Fifty only

AVAILABLE BY YOUR DRAFTS AT 120 days SIGHT FOR FULL INVOICE COST ON:

111 WALL STREET, NEW YORK, N.Y.

FIRST NATIONAL CITY BANK, [redacted]

TO BE ACCOMPANIED BY:

FULL SET OF CLEAN ON BOARD OCEAN BILLS OF LADING, FREIGHT collect DRAWN TO THE ORDER OF SHIPPER AND BLANK ENDORSED, NOTIFY Hakuto Co., Ltd., Tokyo EVIDENCING SHIPMENT FROM U.S.A. port to Yokohama.

Air waybills, freight collect, consigned to The Sumitomo Bank, Ltd., Shimbashi Branch, Tokyo, notify Hakuto Co., Ltd., Tokyo, evidencing shipment from U.S.A. airport to Tokyo airport.

Signed commercial invoice in quintuplicate, indicating Import Licence No. IL(9-AA)0(11)-01414 and accountee's P.O. No. 91049 and stating that it covers: 500,000 pcs. of Spring No. 5100, F.O.B., of which [redacted] 400,000 pieces to be shipped via Ocean freight and [redacted] 100,000 pieces via air freight. Invoice must also indicate that the commodities covered therein are made in U.S.A.

Packing list in quintuplicate.

Discount charge is for buyer's account.

**

**

**

**

**

PARTIAL SHIPMENT(S) permitted. TRANSSHIPMENT permitted.

SHIPMENT(S) MUST BE EFFECTED NOT LATER THAN July 20, 1969.

THIS ADVICE IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS (1962 REVISION), INTERNATIONAL CHAMBER OF COMMERCE BROCHURE NO. 222.

THE ABOVE MENTIONED CORRESPONDENT ENGAGES WITH YOU THAT ALL DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS CREDIT WILL BE DULY HONORED ON DELIVERY OF DOCUMENTS AS SPECIFIED IF PRESENTED TO THE DRAWEE ON OR BEFORE July 31, 1969.

THIS LETTER IS SOLELY AN ADVICE OF A CREDIT OPENED BY THE ABOVE MENTIONED CORRESPONDENT AND CONVEYS NO ENGAGEMENT BY US AND THE DRAWEE.

YOURS VERY TRULY,

AUTHORIZED SIGNATURE

FORM 336 P. T. 146

Lectra Products Co.

6355 W. 58th Avenue
ARVADA, COLORADO 80002

OFFICE COPY

INVOICE

SOLD TO:
Hakelo Company, Ltd.
Post Office Box 25
Tokyo Central, Japan

INVOICE DATE	YOUR ORDER NO.	SHIPPED VIA	F.O.B.	PKG. PACK	NET
5-13-69	01040	Air Freight	Denver	4	

QUANTITY	DESCRIPTION	PRICE PER M	TOTAL
100,000	#5100 Springs	5.50	550.00

"MADE IN USA"

Air Freight - Receipt #016-5171015

Lectra Products Co.
Betty J. Stanley

OFFICE COPY

Lectra Products Co.

FASTENING DEVICES

5 W. 60th Avenue
ARVADA, COLORADO 80002

INVOICE 269

SOLD TO
Hakuto Company, Ltd.
Post Office Box 25
Tokyo Central, Japan

INVOICE DATE	YOUR ORDER NO.	SHIPPED VIA	F.O.B.	PAID DATE	TERMS
5-14-69	01049	Denver-Chicago	Denver	16	NET - 30 DAY

QUANTITY	DESCRIPTION	PRICE PER M	TOTAL
400,000	#5100 Springs	5.50	$2200.00
	Freight Chgs.		20.62
	TOTAL		$2220.62
	MADE IN U.S.A.		

Lectra Products Co
Betty J. Stanley

STATES LINE

STATES STEAMSHIP COMPANY

Serving All Pacific Coast Ports, Hawaii and the Far East

320 CALIFORNIA STREET • SAN FRANCISCO • CALIFORNIA 94104

EXPORT DEC. NO.

BILL OF LADING

SHIPPER
ELECTRA PRODUCT CO., 6955 WEST 54th AVE., ARVADA, COLORADO 80002

CONSIGNEE
[illegible] COMPANY LTD., TOKYO CENTRAL, JAPAN

ADDRESS ARRIVAL NOTICE TO
[illegible]

ALSO NOTIFY

VESSEL	VOYAGE NO.	FLAG	PIER	PORT OF LOADING
[illegible], ARIZONA	33 WB	US	25	SEATTLE

PORT OF DISCHARGE
TOKUYAMA

FOR TRANSSHIPMENT TO

MARKS AND NUMBERS	NO. OF PKGS.	DESCRIPTION OF PACKAGES AND GOODS PARTICULARS FURNISHED BY SHIPPER	MEASUREMENT	SAID TO WEIGH
[illegible] COMPANY TD. O. BOX 25 KYO CENTRAL, PAN	16	CARBON SPRING [illegible]	8	3½ [illegible]

NON-NEGOTIABLE

ACCEPTING THIS BILL OF LADING, the Shipper, consignee, pledgee, holder or endorsee of this bill of lading, owner of the goods and each of them agree that all freight engagements, dock receipts, agreements whatsoever in respect to the shipment of the goods are superseded by this bill of lading. Agree to be bound by all its terms whether written, typed, printed or stamped on the front or back hereof or incorporated by reference herein, any local customs or privileges to the contrary notwithstanding, and agree that this bill of lading shall have the effect of a sealed instrument. If required, one signed bill of lading duly endorsed must be surrendered to the agent of the ship at the port of discharge in exchange for delivery order.

Commodities Licensed by U.S. for Ultimate Destination — Diversion Contrary to U.S. Law Prohibited

OCEAN FREIGHT LOADED ON	ITEM	RATE	PER	PREPAID	COLLECT
	1374	25.50	M/M	39.00	
[illegible] DECLARATION CHARGE				5.00	
WHARFAGE					
HANDLING					
TOTAL CHARGES —				35.00	

IN WITNESS WHEREOF, there have been executed [illegible] Bills of Lading, exclusive of non-negotiable copies, all of the same tenor and date, one of which being accomplished, the others to stand void.

Dated at [illegible], 19[illegible]

This is a SHIPPED on BOARD Bill of Lading When Validated

5-10-69

STATES STEAMSHIP COMPANY

By [illegible]

B/L NUMBER

6

PRINTED IN U.S.A.

HAKUTO CO., LTD.

IMPORTERS, EXPORTERS & MANUFACTURERS
REPRESENTATIVE

EXPRESS

June 14, 1969
Lectra Products Co.,
Fastening Devices
6855 West 56th Avenue
Arvade, Colorado 80002

Attn.: Mr. Wray C. Hansen

Re: Our Purchase Order No. 91049 of May 7, 1969
Your Invoice No. 2690 of May 13, 1969
#5100 Springs

Dear Mr. Hansen:

In reference to the subject, we are pleased advise you that the shipped 100,000 springs arrived at Tokyo Airport on May 21, 1969. We are, however, being still obliged to be refrained from entering clearance of the shipment through our customs.

In covering of the whole of the purchase order, we had established a letter of credit No. G/J-86417 in your favor through the First National City Bank and hope that you have negotiated it for this partial shipment.

If negotiated, you must have drawn a draft and presented it with the other shipping documents required in the letter of credit to the bankers concerned on your part. You must have then cashed the draft and it must have been arranged by the bankers to be presented us to honor.

On this understanding, we have been waiting for the draft and documents through the bankers but have received no notice so far on the arrival of these from the relative bankers on our side.

For shipments based on letter of credit settlements, we have first to fulfill these procedures with bankers and then can take steps for clearances of the shipments through our customs. For this reason, we cannot still proceed to the customs and receive the above 100,000 springs through them.

HAKUTO CO., LTD.

P. O. BOX 25
TOKYO CENTRAL
JAPAN

June 14, 1969
Lectra Products Co.,
Fastening Devices

Attn: Mr. Wray C. Hansen

If you have not yet negotiated the letter of credit, please do it in the amount of $550.– at your earliest. As it expires on July 31, 1969 and allows your partial negotiations, we trust that you will have no difficulties in its smooth negotiations.

Will you please be sure to confirm us by return if you have negotiated or are negotiating the letter of credit for this effected shipment. We are in urgent need of these springs, and may be able to arrange for a special customs clearance if you can kindly answer the questioned status and inform us of the finalized amount of the invoice by immediate cable.

As for the springs remaining on the order, we must come through the procedures same as above to receive and settle them with you. We hope that you can please finish all of your shipments and negotiate the letter of credit for these within its expiring date.

We imagine that you will well know about this method of settlement by letters of credit. If any further information is needed, please feel free to let us know by return.

May we look forward to your soonest possible reactions.

Yours very truly,
HAKUTO CO., LTD.

/s/ T. Koshiyama
T. KOSHIYAMA, Manager
Sales Administrative Dept.

TK/aw
cc: Our First Electronics Dept.

THE FIRST NATIONAL BANK OF DENVER

Denver, Colorado

To: First National City Bank
111 Wall Street
New York, N.Y. 10015

International Division
Collection No. CF 1996

Date June 27, 1969

Amount $2,770.62

We hand you for collection the following: 5.50 Our chgs.

$2,776.12
Due 120 days after sight

Item: Draft

Dated 6/27/69

Drawn On:
Yourselves under your Tokyo Branch Advice #51776 & Sumitomo Bank, Ltd., Tokyo L/C GJ-86417

Drawn by:
Lectra Products Co.
6855 West 56th Ave.
Arvada, Colorado 80002

Documents attached:

B/L	Com'l Invoice	Consular Invoice	Packing List	Insurance	Cert. of Origin	Other Documents
3/3	2 Sets		2 Sets			
	5/5		5/5			1/1 Air Waybill
						Original Letter of Cedit

Deliver Documents Against Acceptance

Advise Non-Payment By Bankwire Do Not Protest

Payment to: Our International Division by credit our A/C with you under bankwire advice

In case of need or difficulty, kindly contact:
Ralph B. Norris, Asst. Cashier or E. Edwards, Asst. Vice Pres.

Special instructions: our customer, Lectra Products, shipped the merchandise prior to receiving the L/C, & the

pring fasteners are now in Japan & Hakuto Co. can't pick t up without the document we note the following dis-repancies: air waybill improperly drawn. Import license No. missing on invoice. Markings missing on invoices & packing list. B/L drawn improperly & frt. prepaid instead of collect. Credit overdrawn by $20.62.

FIRST NATIONAL CITY BANK

111 WALL STREET, NEW YORK, N.Y. 10015

DATE
7/18/69

OUR REFERENCE
CCFB 880966

YOUR REFERENCE | DRAFT AMOUNT
51776 | $2770.62

MAIL TO
LECTRA PRODUCTS CO.
6855 WEST 56TH AVENUE
ARVADA, COLORADO 80002

Gentlemen,

Will you please advise us by AIR MAIL if we may honor the draft drawn under the above captioned credit but dishonored because of the following irregularities:

1. BILLS OF LADING INCORRECTLY CONSIGNED.
2. BILLS OF LADING MARKED FREIGHT PREPAID.
3. ⅓ ORIGINAL BILL OF LADING MISSING.
4. INVOICES LACK IMPORT LICENSE NUMBER.
5. CREDIT OVERDRAWN BY $20.62.

NOTE: WE ARE ADVISED SHIPMENT WAS EFFECTED PRIOR TO RECEIPT OF THE LETTER OF CREDIT. PLEASE REPLY BY *CABLE*.

DOCUMENTS ATTACHED.

The duplicates, if any, are being air mailed to you by subsequent mail. If you are unable to authorize us to honor the drawing, kindly hold all the documents at our disposal and cable us immediately for further instructions.

If you authorize us to honor the drawing, our commission and postage expenses, if any, will be charged in addition to the above amount.

COMMERCIAL CREDIT DEPARTMENT

1528

SDVR 6
NNATB 1 07/09 1009 07/09 1010 07/09 1009 E
THE FIRST NATL BANK P O BOX 5808 DENVER COLORADO

ATTENTION RALPH B NORRIS ASST CASHIER RE YOUR CF 1996 OUR 880966 LECTRA PRODUCTS DOCUMENTS 2,770.62 NOT HONORED DUE DISCREPANCY STATED YOURLET AND ONE ORIGINAL BLADING MISSING AND BLADING INCORRECTLY CONSIGNED TO BUYERS STOP ADVISE URGENTLY DISPOSITION ATTN BELHADJALI CCF

PZ
FIRST NAT CITY BK NYC

f) *Marketing, Advertising and Public Relations*

Applicant, in its application to become a Registered Bank Holding Company, stated that it would "initiate and assume responsibility for a concentrated and detailed joint advertising program." This is presently being done under the supervision of a senior vice president of First National, utilizing the agency employed by Applicant and its subsidiaries. If this application is approved, Greeley would have the benefit of this service and other appropriate services to be initiated in the future. Advertising Greeley's services to a greater extent will benefit the community to the extent that the new, improved and expanded services are known to the community as a whole and Greeley's customers in particular. Greeley's "public relations" department is at present essentially a one-man operation (and not full time at that) and is considered by Greeley's management to be inadequate.

Applicant believes that improvement in this area will benefit Greeley competitively, and hasten its ability to put into effect the changes contemplated should this application be approved.

(g) *Improved management training and replacement programs-personnel*

In Applicant's opinion Greeley is much in need of a management training and replacement program. At present, there are 18 officers in the Bank, most of whom are Loan Officers. Greeley's management does not have any program of training or developing in a systematic way, to take care of future needs of retirement, growth, death or termination. At present they work through Correspondent Banks or advertise in a National publication for experienced Bank Officer Personnel as replacements.

First National Bank of Denver will provide substantial assistance through its college program as follows:

A. It actively recruits on campuses, through Placement Agencies and by direct inquiry for college graduates.

B. It has a formalized program with eight months intensive training including job rotation through six major operating units, classroom seminars conducted by the training director, other Bank Officers and out-

side specialists such as University Professors, Consultants, etc.

C. A 16-month specialized training program that relates directly to the area of interest such as Commercial Loans, Correspondent Banks, Real Estate, Operations or Personnel. Trust Trainees are assigned directly to the Trust Department. Classroom instruction is continued during this period.

Additionally, First National has a great many more contacts with placement agencies (on a national level) than does Greeley so that it can materially assist in recruiting experienced Bank Officers when necessary.

There are several other areas that First National's larger more specialized Personnel Department can and will be of assistance as follows:

A. It can provide formal supervisory training programs.
B. Materially assist Greeley in fully complying with Civil Rights Act of 1964 since they have a staff of more than 50 employees.

The primary areas summarized as follows:

A. Management Training
B. Recruiting experienced officer personnel.
C. Supervisory Training
D. Compliance Civil Rights Act of 1964

Extent to which changes are contemplated in present banking hours, parking facilities, or other convenience factors.

Applicant has no present plans, nor does Greeley at present contemplate any changes in banking hours or parking facilities. Greeley considers its banking hours to be adequate to meet the convenience and needs of its present and prospective customers and to serve the community. Of course, should it become desirable or necessary to effect changes in this regard, Applicant has no doubt but that the management of Greeley will immediately initiate the necessary changes. As far as parking is concerned, Greeley has at the present time adjacent to the bank very suitable and convenient parking facilities, and it does not appear that any changes in this respect will become necessary in the

near future. Banking quarters having been just recently improved are considered very good by both Greeley and Applicant. Should the need arise in the future for a further expansion of its banking quarters, Greeley will be able to look to Applicant for additional capital if this appears necessary or desirable.

5. *Extent to which present or proposed services are currently being provided by banks now competing in the community.*

Appendix A sets forth in considerable detail the extent to which present or proposed services are currently being approved by banks now competing in the community to Applicant's best knowledge. In Applicant's opinion, only Weld County Bank, as a subsidiary of Denver U.S. Bancorporation, *should* be able eventually to provide the services which Greeley could and will provide if this application is approved. Greeley National Bank, the largest bank in Greeley, can provide all services other than those which are peculiar to a subsidiary of a Registered Bank Holding Company which has as its principal subsidiary a major Denver bank. The Cache National Bank and West Greeley National Bank are affiliates of Greeley National Bank and because of their size are unable to provide all the services of the larger banks. Neither of these two banks, as well as the State Bank of Greeley (converted in 1965 from an industrial bank), and The Eaton Bank, at Eaton, Colorado, and The South Platte National Bank at LaSalle, Colorado (each a competing bank) have trust departments and none of them, because of their size, are able to provide banking services to the same extent as the larger banks. However, it should be noted that all the above-mentioned banks have shown varying degrees of growth over the last few years.

Once again, from all of the above discussion, Applicant feels certain that the community in *all* its economic aspects can look forward to a substantial growth—and in the immediate future. As a result Applicant believes that approval of this application will *substantially* benefit the needs and convenience of the community, make it more possible, together with all other competing banks, to meet the demand for services and credit that now exists and will in the future exist, and provide it with sound and strong banking alternatives.

APPENDIX A—to EXHIBIT F

Comparison of Existing Services Offered by First National, Greeley and Competing Banks.

F—Full Service
L—Limited Service
N—No Service
C—Correspondent
N.A.—Information Not Available

Service	First National			Greeley			One or More Competing Banks		
	F	L	N	F	L	N	F	L	N
Individuals—Banking									
1. Aircraft Loans—Instalment	x				x				x
2. Appliance Loans—Instalment	x			x			x		
3. Automatic Savings Plan	x			x			x		
4. Automobile Loans—Instalment	x			x			x		
5. Bank-by-Mail	x			x			x		
6. Blue Ribbon (5% Savings Passbook)	x					x	x		
7. Checking Accounts—Regular and Special	x			x			x		
8. Christmas Club	x			x			x		
9. Dividend Collection	x				x				x
10. Foreign Remittances	x				x				x
11. Home Furnishing Loans	x			x			x		
12. Home Improvement Loans—F.H.A.—Title 1.	x			x			x		
13. Home Improvement Loans—Other	x					x			x
14. Home Mortgage Loans—Conventional	x				x		x		
15. Home Mortgage Loans—F.H.A.—V.A.	x					x	x		
16. Insurance Premium Financing	x			x					x
17. Investment Time Certificates	x					x	x		
18. Mobile Home Financing—Direct	x					x			x
19. Personal Loans—Collateral	x			x			x		
20. Personal Loans—Instalment	x			x			x		
21. Personal Bank Money Orders	x			x			x		
22. Retail Charge Plan	x			x			x		
23. RevolvAccount (Revolving Instalment Credit)	x					x	x		
24. Safe Deposit	x			x			x		
25. Safekeeping Accounts	x				x				x

APPENDIX A—to EXHIBIT F

Comparison of Existing Services Offered by First National, Greeley and Competing Banks.

F—Full Service
L—Limited Service
N—No Service
C—Correspondent
N.A.—Information Not Available

Service	First National F	L	N	Greeley F	L	N	One or More Competing Banks F	L	N
26. Savings Accounts	x			x			x		
27. Traveler's Checks	x			x			x		
	27	0	0	16	5	6	20	7	0
Corporate Banking									
1. Accounts Receivable Loans	x			x			x		
2. Accounts Reconciliation	x					x			x
3. Cash Letter Service for Correspondent Banks	x				x		x		
4. Certificates of Deposit	x			x			x		
5. Commercial Checking Accounts	x			x			x		
6. Commercial Loans—Unsecured	x			x			x		
7. Commercial Paper Purchases, Custody and Collections	x				x			x	
8. Conventional Construction Mortgage Loans	x				x		x		
9. Correspondent Banks	x				x			x	
10. Coupon and Bond Collection	x			x			x		
11. Customer Payroll Service	x					x		x	
12. Domestic Collection	x			x			x		
13. Draft Plans—Freight, Ins. Agents, etc.	x					x			x
14. F.H.A. Insured Construction Loans	x					x		x	
15. Floor Plan Loans	x				x			x	
16. Indirect Boat, Trailer and Motor Financing	x					x		x	
17. Indirect Lease Financing	x					x		x	
18. Indirect Mobile Home Financng	x					x		x	
19. Industry Specialists—Transportation, Oil, Finance, etc.	x					x			x
20. Insurance Premium Collection	x					x			x
21. Inventory Loans (Field Warehousing, etc.)	x				x			x	
22. Machinery and Equipment Loans (Instalment, Direct and Indirect)	x			x				x	

APPENDIX A—to EXHIBIT F

Comparison of Existing Services Offered by First National, Greeley and Competing Banks.

F—Full Service
L—Limited Service
N—No Service
C—Correspondent
N.A.—Information Not Available

Service	First National			Greeley			One or More Competing Banks		
	F	L	N	F	L	N	F	L	N
23. Money Transfer—Include Bank Wire	x				C			C	
24. Mortgage Loans—Conventional and Gov't. backed	x				x			x	
25. One Check Payroll Plans	x				x			x	
26. Payroll Accounts	x			x			x		
27. Post Office Box Plant (lock box)	x				x			x	
28. Revolving Credit Loans	x			x			x		
29. Safekeeping	x			x			x		
30. Secured Loans (B/R's, Collections, Trust Receipts, etc.)	x			x			x		
31. Securities Clearance Facilities	x					x			N.A.
32. Term Loans	x				x			x	
	32	0	0	11	11	10	11	16	4
International Banking Services									
1. Acceptance Financing	x					x			x
2. Advances Against Collections	x					x			x
3. Commercial Letters of Credit	x				C			C	
4. Export Credit Insurance and Guarantees	x				C			C	
5. Foreign Collections	x				C			C	
6. Foreign Correspondents	x					x			x
7. Foreign Credit Information and Investigation	x					x			x
8. Foreign Exchange—Purchase and Sale	x				C			C	
9. Foreign Remittance and Draft Service	x				C			C	
10. Foreign Trade Specialists	x					x			x
11. Forward Exchange Contracts	x					x			x
12. Letters of Introduction	x				x			x	
13. Traveler's Checks	x			x			x		
14. Traveler's Letters of Credit	x				x			x	
	14	0	0	1	7	6	1	7	6

APPENDIX A—to EXHIBIT F

Comparison of Existing Services Offered by First National, Greeley and Competing Banks.

F—Full Service
L—Limited Service
N—No Service
C—Correspondent
N.A.—Information Not Available

Service	First National			Greeley			One or More Competing Banks		
	F	L	N	F	L	N	F	L	N
Personal Trust Services									
1. Administration of Estates	x			x			x		
2. Agent for Individual Acting as Executor or Trustee	x			x			x		
3. Committee of Property for Incompetents	x			x			x		
4. Estate Planning	x			x			x		
5. Executor (co-executor under wills)	x			x			x		
6. Financial Planning	x				x			x	
7. Guardian of Property of Minors	x			x			x		
8. Investment Advisory Service	x				x				x
9. Investment Information	x				x				x
10. Tax Consultation	x				x			x	
11. Trustee (co-trustee) under Life Insurance Trusts	x			x			x		
12. Trustee (co-trustee) under Living Trusts	x			x			x		
13. Trustee (co-trustee) under Wills	x			x			x		
14. Trustee of Business Insurance Trusts	x			x			x		
	14	0	0	10	4	0	10	2	2
Pension Trust Service									
1. Agent for Individual as Trustees for Profit Sharing Plans	x				x			x	
2. Specialized Employee Health and Welfare Services—Profit Sharing Trusts	x					x			x
3. Trustee for Employee Savings Plans	x					x			x
4. Trustee for Employee Stock Purchase Plans	x					x			x
5. Trustee for Individual Self-employed Retirement Plans	x			x			x		
6. Trustee for Pension Plans	x			x			x		
7. Trustee for Profit Sharing Plans	x			x			x		
	7	0	0	3	1	3	3	1	3

APPENDIX A—to EXHIBIT F

mparison of Existing Services Offered by First National, Greeley and peting Banks.

F—Full Service
L—Limited Service
N—No Service
C—Correspondent
N.A.—Information Not Available

	First National			Greeley			One or More Competing Banks		
	F	L	N	F	L	N	F	L	N
CE									
Corporate Trust and Finance ervices									
Bond and Coupon Cremation, Audit and Paying Service for Municipalities and Corporations	x					x			x
Depository for Securities under Reorg.	x					x			x
inancial Planning	x					x			x
iscal Agency	x				x			x	
ergers and Acquisitions	x					x			x
aying Agent—Bonds and Coupons	x			x			x		
rustee for Bond and/or Debenture Issues	x				x			x	
	7	0	0	1	2	4	1	2	4
rporate Agency Service									
gent for Deposit of Stock and Acceptances of Tenders	x					x			x
gent of Voting Trustees	x					x			x
gent to Microfilm and Cremate Cancelled Stock Certificates	x					x			x
nversion Agent	x					x			x
epositary for Stock Under Plans of Recapitalization	x					x			x
ividend Disbursing Agent (cash or stock)	x					x			x
scrow Agent	x					x			x
xchange Agent	x					x			x
spections of Elections at Stockholder Meetings	x					x			x
utual Funds (Dividend disbursing Agent, Fund Bookkeeping and Pricing, Processing of Plan Accounts, and Transfer Agent)	x					x			x

APPENDIX A—4o EXHIBIT F

Comparison of Existing Services Offered by First National, Greeley and Competing Banks.

F—Full Service
L—Limited Service
N—No Service
C—Correspondent
N.A.—Information Not Available

Service	First National F	L	N	Greeley F	L	N	One or More Competing Banks F	L	N
11. Proxy Tabulation Agent	x					x			x
12. Redemption Agent	x					x			x
13. Registrar	x					x			x
14. Script Agent (Including Purchase and Sale of fractional Shares for Stockholder's Accounts)	x					x			x
15. Stock Distribution Agent	x					x			x
16. Subscription Agent (Including Purchase and Sale of Rights for Stockholder's Accounts)	x					x			x
17. Transfer Agent	x				x				x
18. Warrant Agent	x					x			x
	18	0	0	0	1	17	0	0	18
Miscellaneous Services									
1. Bond Portfolio Analysis	x					x		x	
2. Certificates of Deposit—Negotiable	x			x			x		
3. Credit Department—Investigations, Analysis and Files	x				x			x	
4. Data Transmission	x					x			x
5. Deposit Accounting for Correspondent Banks	x					x			N.A.
6. Escrow Agent	x				x			x	
7. F.H.A. Insured Special Project Loans (e.g. Nursing Homes, Senior Citizen's Homes, Apartment Houses, etc.)	x					x		x	
8. Federal Funds Transactions	x					x			x
9. Future Marketing of G.N.M.A. Mortgage-backed Securities	x					x			N.A.
10. Municipal Bond Consultation Service	x					x			x
11. Municipal Bond Underwriter and Dealer	x					x			x
12. Night Depository	x			x			x		

APPENDIX A—to EXHIBIT P

Comparison of Existing Services Offered by First National, Greeley and Competing Banks.

P—Full Service
L—Limited Service
N—No Service
C—Correspondent
N.A.—Information Not Available

	First National			Greeley			One or More Competing Banks		
	P	L	N	P	L	N	P	L	N
SERVICE									
13. Real Estate Investment Counseling	x					x	x		
14. Record Account—Personal and Business	x					x			x
15. Savings Bonds—Sales and Redemptions	x			x			x		
16. Stock Transfer and Registrar by Bank Wire	x					x			x
17. Time Deposits—Open Account	x				x			x	
18. Treasury Tax and Loan Depository	x			x			x		
	18	0	0	4	3	11	5	5	6
TOTAL	137	0	0	46	34	57	51	40	43

EXHIBIT G

COMPETITIVE SITUATION

As of December 31, 1968, the ten largest *UNIT BANKS* in Colorado, their respective deposits and percentage of total deposits in Colorado were as follows: (Information taken from Polk's World Bank Directory.)

Name	Deposits	% of Total Deposits in Colorado ($3,857,761,820)
1. The First Nat'l Bank of Denver	$ 550,248,825	14.26
2. Denver U. S. Nat'l Bank	487,805,000	12.64
3. Colorado Nat'l Bank	281,219,676	7.29
4. Central Bank & Trust Co.	216,616,370	5.62
5. American Nat'l Bank	123,553,984	3.20
6. The First Nat'l Bank of Colo. Springs	92,628,047	2.40
7. The First Nat'l Bank of Boulder	58,669,926	1.52
8. The First Nat'l Bank of Pueblo	57,280,902	1.49
9. The Exchange Nat'l Bank—Colo. Springs	51,753,339	1.34
10. The First Nat'l Bank of Englewood	50,400,898	1.31
Total	$1,970,276,967	51.07

As of December 31, 1968, the ten largest *BANKING ORGANIZATIONS* in Colorado, their respective deposits, and percentage of total deposits in this area are as follows: (Information taken from Polk's World Bank Directory.)

1. Applicant	$ 568,986,244	14.75
2. Denver U. S. Bancorporation	557,049,973	14.44
*3. Colorado CNB Bankshares	300,458,056	7.79
4. Affiliated Bankshares of Colorado	245,971,958	6.38
5. Central Bank & Trust Co.	216,616,370	5.62
6. Western Bancorporation	202,224,577	5.24
7. First Colorado Bankshares	133,121,308	3.45
8. The First Nat'l Bank of Pueblo	57,280,902	1.49
9. Exchange Nat'l Bank—Colo. Springs	51,753,339	1.34
10. Jefferson County Bank of Lakewood	44,382,038	1.15
Total	$2,377,944,765	61.65

* Includes Lakewood National Bank if approved.

As of December 31, 1968, the percentage of total deposits in the state of Colorado held by Registered Bank Holding Companies was as follows: (Information taken from Polk's World Bank Directory.)

1. Denver U. S. Bancorporation	$ 600,327,585	15.56
2. Applicant	568,986,244	14.75
3. Colorado CNB Bankshares	300,458,056	7.79
4. Affiliated Bankshares of Colorado	245,971,958	6.37
5. Western Bancorporation	202,224,577	5.24
6. First Colorado Bankshares	133,121,308	3.45
Total	$2,051,089,728	53.16

* Includes Poudre Valley National Bank of Ft. Collins and Arkansas Valley nk of Pueblo (which have been approved by the Board).

** Includes Lakewood National Bank—application pending.

*** Assuming approval of application filed to become a Registered Bank ding Company.

If this application is approved, Applicant's percentage deposits within the state of Colorado will be increased .95 percentage points to 15.70%.

Approval of Applicant's proposal would increase Registered Bank Holding Company control of individual banks ncluding those acquisitions approved and proposed referred to previously) by .4 percentage points from 16.3% 16.7%.

From the above statistical information, it is readily pparent that approval of this application would *not* create r tend to create a monopoly or be in furtherance of any ombination or conspiracy to monopolize the business of anking in Colorado, nor in any part of the United States.

As shown above, approval of this application would increase Applicant's percentage of deposits within Colorado y only .95 percentage points to 15.70%. Further, Applicant cannot be considered a large bank holding company, ven with the addition of Greeley, since its subsidiary First ational would still constitute such an enormous percentage f total deposits controlled by Applicant. Also, as is shown lsewhere, Greeley is not the largest bank in the city of reeley, Greeley National Bank alone, and, of course, with ts affiliates, being larger. As pointed out below in this Exhibit G there is no significant overlap of deposits or oans between Greeley and any of Applicant's subsidiaries. With the growth, in Applicant's opinion, assured in Greeley's service area (See Exhibit F-6 above) and with all competing banks showing growth, Applicant does not believe that the effect in any section of the country of the proposed acquisition would be to lessen competition, create a monopoly or in any other manner be in restraint of trade.

1. *Judgment of Bank's officers as to Bank's approximate service area, the actual or estimated population of such area, and an explanation of the basis for such a service area delineation.*

Greeley's Primary Service Area, that area within which approximately 80% of Greeley's I. P. C. Demand, Savings, and Time deposits originate, and within which in excess of 75% of Greeley's loans originate, is more particularly described as follows: Commencing at Eaton, Colorado, located 7 miles north of the city of Greeley, extending in a southeasterly direction approximately 15 miles to the community of Gill, Colorado, thence in a southwesterly direction approximately 23 miles to the community of Platteville, Colorado, thence in a north-northeasterly direction returning to the original point. (This area is delineated in blue on Exhibit G-1 attached.) The communities located within this area, in addition to the city of Greeley, include Eaton, Gill, Kersey, Platteville, Gilcrest, Peckham, LaSalle, Evans, and Lucerne. With the exceptions of Greeley, LaSalle and Eaton, none of these communities have any banking facilities.

In addition to Greeley's Primary Service Area described above, there exists a "sphere of influence" which extends in an easterly and northeasterly direction from the city of Greeley proper, and covers an area of Weld County large in size but sparsely populated. Such "sphere of influence" is delineated on Exhibit G-1 by blue dotted lines. Because of the size of Weld County (approximately 4,000 square miles) and as the city of Greeley is the county seat, it is reasonable to assume that livestock and agricultural business in particular insofar as banking requirements are concerned would trend toward the city of Greeley from the "sphere of influence" as outlined. Also, because the city of Greeley is the county seat of Weld County, a certain amount of banking business situated in the northern and western sections of Weld County would also trend toward the city of Greeley.

Greeley's Primary Service Area was determined by counting the number of loans and I. P. C. accounts and determining the dollar amount of same, whose mailing addresses were those listed in the communities previously mentioned. In a rural area, these addresses include various rural routes and through discussion by Greeley's officers

with the postal authorities the boundaries were determined to the extent possible to be those indicated on Exhibit G-1.

The population of Greeley's Primary Service Area is estimated to be approximately 46,000 persons. The Bureau of the Census figures as of 1960 were developed through the use of various census Districts within Weld County, and with the exception of the city of Greeley itself, these Districts include rural areas as well as certain communities within set Districts making accurate population estimates within Greeley's Primary Service Area extremely difficult. Based upon a census of the city of Greeley taken at the request of the Greeley Chamber of Commerce in the summer of 1968, the city of Greeley had an estimated population of 37,000 persons excluding 8,500 students located at Colorado State College. To this figure was added estimates of current population made by Division of Accounts and Control, State of Colorado Budget Office for the communities other than Greeley located within Greeley's Primary Service Area. In addition, an estimated density factor was applied to the rural section of Greeley's Primary Service Area based upon the 1960 census District figures resulting in an estimated total population within Greeley's Primary Service Area of approximately 46,000 persons.

2. *The estimated proportions of:*

(a) *Bank's IPC demand, savings, and time deposits which originate in the service area of each of Applicant's subsidiary banks, or of Applicant, if it is a bank;*

Upon analysis of Greeley's I. P. C. accounts as of March 28, 1969, it was determined that 345 accounts with balances aggregating $783,279.08 carried on the books of Greeley originate in the five-county area known as the Denver Standard Metropolitan Statistical Area, such area being considered the Primary Service Area of First National. Of the amount stated, $200,415.39 represents nineteen accounts of Denver-based companies with branch offices in the city of Greeley, Colorado. However, Greeley's total account overlap within the entire five-county area, including the above described branch office accounts, represents less than 2% of Greeley's total deposits.

Greeley's accounts described above were not further

broken down insofar as overlap may be concerned when related to Applicant's three smaller subsidiaries in that these three subsidiaries lie within the five-county area mentioned and within First National's Primary Service Area.

(b) *Bank's commercial and industrial loans, farm loans, instalment loans, commercial mortgage loans, and residential mortgage loans which originate in the service area of each of Applicant's subsidiary banks, or of Applicant if it is a bank.*

As of March 28, 1969, sixty-six loans totaling $809,117.02 as carried on Greeley's books originate within the five-county area previously described, and are considered to be within the Primary Service Area of First National. These loans constitute approximately 3% of Greeley's total outstanding loans. Included in the sixty-six loans are several large borrowers who remain with Greeley because of long-time association. These loans are more particularly described as follows:

Two loans totaling $348,263.75 to a stockholder of Greeley who resides in Longmont, Colorado (within First National's Primary Service Area) who, because of extensive holdings within Weld County, has banked with Greeley for many years.

One loan in the amount of $110,000 to a customer presently located in Commerce City, Colorado (within First National's Primary Service Area). This relationship was established when one of the borrowing firm's partners was a resident of Greeley.

The remaining sixty-three loans of instalment, commercial, and various other types located throughout First National's Primary Service Area were primarily originated when the borrower lived in the city of Greeley (and subsequently moved into First National's Primary Service Area) or banked with Greeley because of family relationships.

As in the case of account overlap described in paragraph 2.(a) of this exhibit, loans were not further broken down with relation to Applicant's three smaller subsidiaries since these are located within First National's Primary Service Area.

Name and location of each office of Bank, indicating or xplaining:

(a) *Any plans known to Applicant for a change in location, or discontinuance, of any office, giving the reasons therefor;*

None

(b) *Whether Bank has applications pending, or has received approval, for the establishment of one or more branches.*

None—Branch banking is not legal in the State of olorado.

All offices of banks that are subsidiaries of the Applicant, nd of Applicant if it is a bank; that compete with any ffice of Bank, indicating:

(a) *Location;*

(b) *Approximate road miles (by the most accessible and traveled route) and direction each office listed is from the office of Bank;*

(c) *Whether Applicant, or any of Applicant's subsidiary banks, plans to change the location of, or to discontinue, any such office, giving the reasons therefor;*

(d) *Whether Applicant, or any of Applicant's subsidiary banks, has any application pending for, or has received approval for, establishment of one or more branches that will be competing within the service area of Bank;*

(e) *The approximate geographic limits of the service area of each competing banking office determined on the same basis as that used to determine the service area of Bank;*

(f) *The estimated proportions of IPC demand, time, and savings deposits of each competing office, originating in the service area of Bank;*

(g) *The estimated proportions of commercial and industrial loans, farm loans, instalment loans, commercial mortgage loans, and residential mortgage loans of each competing office originating in the service area of Bank;*

(h) *If Applicant has no subsidiary bank with an office competing in Bank's service area, give location*

of the office of the subsidiary bank that is closest to an office of Bank, together with the approximate road miles separating said offices.

Applicant has no subsidiary bank competing in Greeley's Primary Service Area. Applicant's closest subsidiary to Greeley is The First National Bank of North Glenn, Colorado, whose only office is situated approximately 46 miles from the city of Greeley. (See Exhibit G-1 attached.)

5. Offices of all other banks that Applicant believes to be competing with Bank, indicating:

(a) Name of Bank and Location	(b) Distance and Direction From The First National Bank of Greeley
Greeley, Colorado	
Cache National Bank 2600—11th Avenue	1.7 Miles Southwest
Greeley National Bank 8th Avenue and 8th Street	4 Blocks Northeast
State Bank of Greeley 8th Avenue and 9th Street	3 Blocks Northeast
Weld County Bank 1000—10th Street	1½ Blocks Northwest
West Greeley National Bank 2627 W. 10th Street	1.8 Miles West
Eaton, Colorado	
The Eaton Bank P. O. Box 428	7.0 Miles North
LaSalle, Colorado	
South Platte National Bank P. O. Box 128	6.0 Miles South

The above banks, as well as Greeley, are shown on Map, Exhibit G-1 attached.

(c) *The extent to which such offices compete, to the best of Applicant's knowledge and belief.*

In order to determine the manner in which banks listed

in 5. (a) and (b) on pages G-4 and G-5 compete with Greeley, a comprehensive examination of public records filed in Weld County between January 2, 1969 and April 30, 1969, was conducted. This study included examination of the total number of Financing Statements, motor vehicle liens, and Promissory Notes and Deeds of Trust filed by each of the banks and nonbanking financial institutions during the period described (See Exhibit G-3 attached). The results of this study indicate that Greeley's competition is relatively stratified. While Greeley naturally competes for deposits with all the banks located within its Primary Service Area, its principal competition for livestock and agricultural loans is created by The Greeley National Bank and The Weld County Bank. In the area of installment loans on automobiles, furniture and appliances, the primary competition, in terms of number of loans generated, is from the various finance companies located within the city of Greeley. In real estate lending, Greeley's principal competition is from savings and loan associations (both local and branches of out-of-city organizations) and insurance companies. With particular reference to The Eaton Bank in Eaton, Colorado, and The South Platte National Bank in LaSalle, Colorado, competition is largely confined to Greeley's deposits located within those two communities as well as some competition for livestock and agricultural loans. Insofar as Trust Department operations are concerned, only The Greeley National Bank and The Weld County Bank offer competition, as no other banks in the city have established Trust powers.

6. *By delineation on a suitable map, the geographical limits of the service area of Bank and of each office of Applicant's subsidiary banks, and of Applicant if it is a bank, listed in this Exhibit as competing with Bank, indicating the location of each office and identifying such offices by assigned number on an accompanying list. Locate on the map and include on the list all other offices of Applicant's subsidiary banks not considered to be competing with Bank, but which are located within a radius of 25 miles of any office of Bank. Indicate also the location of each office of all other banks identified in this Exhibit as competing with Bank.*

Applicant has no subsidiaries which compete with Greeley or which are situated within 25 miles of Greeley. Appli-

cant's subsidiary banks together with other information requested is on Map, Exhibit G-1 attached.

7. *Nonbank financial institutions that are regarded as competing significantly in the service area of Bank of deposit accounts, loans, and other bank-type services. Such organizations would include savings banks, trust companies that do not accept demand deposits, savings and loan associations, credit unions, and others. Information submitted should indicate the approximate size of the institution, the type of significant competition offered, and the location of each in relation to the office of the Bank.*

Name of Institution	Distance From Bank	Total Assets 12/31/68	Type of Competition Offered
INDUSTRIAL BANKS			
Greeley Industrial Bank 1400—8th Avenue, Greeley	1 Blk East 3 Blks South	$ 1,210,339	Savings Accounts Consumer Loans Some Real Estate Loans
SAVING & LOAN ASSOCIATIONS			
*Empire Savings Building and Loan Association 900—8th Avenue, Greeley	2 Blks North 1 Blk East	148,689,123	Savings Accounts Savings Certificates Residential and Commercial Mortgage Loans
*Mountain Savings and Loan Association 1000—9th Avenue, Greeley	1 Blk North	46,398,183	Same
Northern Colorado Savings and Loan Association 924—11th St., Greeley	1 Blk West	10,500,000 (approx.)	Same
*Midland Federal Savings and Loan Association 918—11th Ave., Greeley (Loan Representative Only)	2 Blks West 2 Blks North	181,317,905	Residential and Commercial Mortgage Loans
*Western Federal Savings and Loan Association (Loan Representative Only) 1007—9th Ave., Greeley	1 Blk North	$339,884,780	Residential and Commercial Mortgage Loans

* Figures for savings and loan associations so designated are either branches or subsidiaries of larger organizations having consolidated assets as shown above. A breakdown specifically for Greeley operations is not obtainable.

Name of Institution	Distance From Bank	Total Assets 12/31/68	Type of Competition Offered
FINANCE COMPANIES			
Aetna Finance Company 700—8th Ave., Greeley	1 Blk East 4 Blks North	$ 781,120	Consumer Loans
Associates Consumer Finance, Inc. 1231—8th Ave., Greeley	2 Blks South 1 Blk East	397,125	Same
Beneficial Finance Company of Greeley 908—8th Ave., Greeley	1 Blk East 1 Blk North	284,922	Same
C.F.C. Corporation Loans 11th St. and 6th Ave., Greeley	3 Blks East	176,301	Same
G.A.C. Finance Corporation 1646—8th Avenue, Greeley	1 Blk East 4½ Blks South	261,556	Same
Greeley Finance Company 1135—8th Avenue, Greeley	1 Blk East ½ Blk South	2,635,528	Same
Household Finance Corporation of Greeley 725—9th Street, Greeley	2 Blks North 2 Blks East	152,197	Same
Liberty Loan Corporation and Affiliates 2703 W. 10th St., Greeley	1.8 Mi. East	244,617	Same
Pacific Finance 1012—8th Ave., Greeley	1 Blk East 1 Blk North	271,343	Same
*Sun Finance Company 1005—29th Ave., Greeley	2.1 Mi. West	3,117,515	Same
First Industrial Loan Company 816—8th Ave., Greeley	3 Blks North 1 Blk East	502,792	Consumer Loans Savings Accounts
Provident Finance Company 928—9th Avenue, Greeley	1 Blk North	200,364	Consumer Loans
Seaboard Finance Company 822—11th Avenue, Greeley	1 Blk West 3 Blks North	191,460	Same
Gold-Naiman Investment Company 1400—8th Ave., Greeley	1 Blk East 3 Blks South	644,062	Same
CREDIT UNIONS			
**Great Western Federal Credit Union 600 Walnut, Windsor, Colo.	14 Mi. Northwest	394,992	Savings Certificates Consumer Loans
Mopac Federal Credit Union 724—8th St., Greeley	1 Blk East 3½ Blks North	158,180	Same

* Consolidated figures for five offices.
** Not shown on Map Exhibit G-2.

Name of Institution	Distance From Bank	Total Assets 12/31/68	Type of Competition Offered
Norbel Credit Union—Northern Colorado 1454—9th St., Greeley	2 Blks North 5½ Blks West	880,088	Same
Weld Federal Credit Union 714—6th St., Greeley	2 Blks East 5 Blks North	464,663	Same
The College Credit Union of Greeley Colorado State College, Greeley	7½ Blks South	344,547	Same
Greeley Public Schools Credit Union 811—15th St., Greeley	4 Blks South 1 Blk East	136,338	Same
M. G. Credit Union 2430—14th Ave. Ct., Greeley	1.9 Mi. Southeast	17,758	Same
Our Lady of Peace Credit Union 2305—25th St. Rd., Greeley	2.4 Mi. Southwest	8,401	Same
Weld County General Hospital Credit Union 16th St. at 17th Ave., Greeley	9 Blks West 4½ Blks South	51,989	Same
MISCELLANEOUS			
**Banker's Agricultural Credit Corporation Ft. Lupton, Colorado	23 Mi. South	$ 100,000	Agricultural Loans (New Company—very nominal loans outstanding.)
**High Plains Agricultural Credit Corporation Cheyenne, Wyoming	51 Mi. North	3,094,126	Agricultural Loans (Estimated approximately $625,000 loaned in Weld County.)
**South Platte Agricultural Credit Corporation LaSalle, Colorado	6 Mi. South	not available	Agricultural Loans (Amount not known)
Federal Land Bank Association of Greeley 1008—9th St., Greeley	1 Blk West 2 Blks North	not available	Farm Real Estate Loans
Production Credit Association 1817—9th St., Greeley	2 Blks North 8½ Blks West	$ 10,549,196	Agricultural Loans

** Not shown on Map Exhibit G-2.

All above listed nonbanking financial institutions, other than those specifically referred to, are shown on Map G-2 attached.

8. *Amount of correspondent bank balances as of the date of the Bank's most recent report of condition* (April 30, 1969) *filed with the appropriate supervisory authority:*

(a) *Of Bank due from each subsidiary of the Applicant and Applicant if it is a bank;*

The First National Bank of Denver—$2,051,989.07.

(b) *Of Bank due from other banks showing only the number of such other banks and the aggregate balance;*

Eleven banks (including balance with Denver Branch of Federal Reserve Bank of Kansas City)—$2,223,-182.97.

(c) *With Bank due to each subsidiary of the Applicant and Applicant if it is a bank;*

None

(d) *With Bank due to all other banks showing only the number having such balances and the aggregate balance, segregated as to those competing and those not competing with Bank;*

Competing with Greeley—NONE.

Not competing with Greeley—One—$218,969.91 (Net —Greeley has demand Certificate of Deposit with this bank.)

(e) *With each subsidiary of the Applicant, and Applicant if it is a bank, due to each other bank listed in Item 5 of this Exhibit as competing with an office of Bank.*

First National—Four accounts—$603,109.20.

No other subsidiary of Applicant has any correspondent bank balances from any of the banks listed in Item 5 of this Exhibit.

9. *Number and total amount of loans originated (during a 12 month period ended not more than 3 months prior to the date of the application) by:*

(a) *The Bank which were placed or shared with each of the Applicant's subsidiary banks, and the Applicant if it is a bank, and with other banks, showing separately for each category the amount retained by the Bank;*

Originated by:	*# of Loans*	*Total Amount*	*Retained by Greeley*
The First National Bank of Greeley	3	$1,412,363.65	$ 900,000.00

(All of the above loans were participated to The First National Bank of Denver. No loans were participated to any of the Applicant's other subsidiaries.)

Participated with other banks:

Originated by:	*# of Loans*	*Total Amount*	*Retained by Greeley*
The First National Bank of Greeley	10	$4,660,037.50	$2,879,800.00

(b) *Each of the Applicant's subsidiary banks, and the Applicant if it is a bank, which were placed or shared with the Bank, and the amount of such loans taken by the Bank;*

None

(c) *Other banks which were placed or shared with the Bank, showing separately for each category the amount taken by the Bank.*

Originated by:	*# of Loans*	*Amount taken by Greeley*
Other banks	5	$1,290,000.00

10. *An indication as to:*

(a) *Whether Bank is generally competitive with the banks and nonbank financial institutions listed in this Exhibit with respect to interest rates paid on time and savings deposits, service charges on deposit accounts, and interest rates charged on secured and unsecured loans to businesses and individuals, instalment loans, and conventional mortgage loans on one-to-four family dwellings, commercial properties and farms, noting all significant variations;*

It is the opinion of Greeley after considering the intense

competition within its Primary Service Area that Bank is competitive with other banks in the area and, to the extent permissible under the law, with nonbanking financial institutions previously listed in this Exhibit. Greeley pays the maximum interest rates permitted by regulations on Time and Savings deposits. In the Primary Service Area of Greeley the five Savings and Loan Associations pay higher rates on Savings than do commercial banks. Service charges on checking accounts charged by Greeley compare favorably with those charged by other banks in the city of Greeley. By reason of the strong competitive situation in the community, interest rates charged by all banks on virtually all types of loans in all categories, with the exception of instalment and some farm loans, are competitive. Finance Companies and Credit Unions charge somewhat higher rates on instalment loans than do banks including Greeley. The Federal Land Bank at the present time will make some farm loans at a rate that is below that charged by other farm mortgage lenders.

The one Industrial Bank in addition to The Industrial Finance Company compete for savings dollars and generally pay depositors higher rates than those permitted to be paid by banks; however, they do charge higher rates on their instalment loans.

(b) *Whether such interest rates or service charges of the Bank would be affected if this application is approved.*

Neither the rates paid on Savings and Time deposits nor interest charged on various loans will be affected by approval of this application. There may be some effect on real estate loan rates within the city of Greeley because of increased competition in the real estate lending area upon approval of this application. (This factor is discussed in Exhibit F of this application.)

EXHIBIT G-1

Map Showing Location of Applicant's Subsidiaries, Greeley, and Two Banks Competing with Greeley Not Located Within the City of Greeley Proper.

(Two Banks Not Located Within the City of Greeley Proper Are The Eaton Bank at Eaton, Colorado; and The South Platte National Bank at LaSalle, Colorado.)

EXHIBIT G-2

Map Showing Location of All Banks and Nonbank Financial Institutions Located Within the City of Greeley.

EXHIBIT G-3

Graph Indicating Per Cent of Number of Lien Documents Filed in Greeley's Primary Service Area By Banks and Nonbank Financial Institutions Located Within Greeley's Primary Service Area.

CONFIDENTIAL

EXHIBIT B-5
"CONFIDENTIAL"

LOANS SECURED BY SHARES OF THE FIRST NATIONAL BANK OF GREELEY (4/18/69)

	Amount of Loan	# of Shares of Greeley Pledged	Total Collateral Value	Value of Bank Shares Pledged	% Bank Stock Value to Total Collateral
Burch, Leonard	$ 57,000.00	2,625	$ 97,125.00	$ 97,125.00	100
Davis, Robert S.	160,000.00	7,000	259,000.00	259,000.00	100
Dinner Brothers (Our Part)	698,400.00	100	1,119,930.00	3,700.00	Less than 1%
Dunks, Martin R.	16,000.00	638	23,606.00	23,606.00	100
Eaton, Rex C., Jr. & Beverly McKee	39,300.00	3,000	118,434.00	111,000.00	94
Gronstal, James B. & Sarah F.	31,500.00	1,000	59,780.00	37,000.00	53
Haley, John L.	7,350.00	275	10,175.00	10,175.00	100
Holmes, Darrell & Eleanore	7,261.00	312	11,544.00	11,544.00	100
Jones, Harold S.	67,000.00	5,130	190,550.00	190,550.00	100
Mathews, Virgil J., Jr. & Marilyn	7,600.00	130	13,940.00	5,550.00	40
Miller, A. R. & Cleo M.	2,440.00	353	13,061.00	13,061.00	100
Monroe Corporation, Robert M. & Frances Gilbert	1,100,000.00	(*)13,497	2,286,717.00	499,389.00	22
Phelps, J. F.	59,000.00	5,130	190,550.00	190,550.00	100
Rieker, Louis C. & Marjorie L.	4,836.00	150	10,386.00	5,550.00	53
Royer, Dean C.	107,500.00	6,300	233,100.00	233,100.00	100
Scott, Ernest B.	27,750.00	1,000	37,000.00	37,000.00	100
Vonfeldt, Alvin E. & Norma L.	1,600.00	52	1,924.00	1,924.00	7
Weaver, Phillip D. & Ora M.	12,270.00	667	27,329.00	24,679.00	90

In all instances above, the lender is First National. None of the Applicant's other subsidiaries have loans secured by Greeley stock.

(*)13,035 shares standing in the name of Monroe Corporation, 267 shares in the name of Robert M. Gilbert, and 195 shares in the name of Robert M. and Frances Gilbert.

EXHIBIT C (Supplemental)

1. *Financial information, preferably in columnar form, consisting of:*

(a) *A balance sheet of the Applicant, showing separately each principal group or class of assets, liabilities, and capital accounts, and similar in form to that which would be sent to, or prepared for, its shareholders, as of the date of the application, or as of a date not in excess of three months prior thereto provided a summary statement is included of all significant changes in the interim to the date of the application or that there have been no such changes;*

(b) *Debit and credit adjustments, explained by footnotes, to each asset, liability, and capital account relating to each proposed transaction; and*

(c) *The resulting pro forma balance sheet.*

See letter and balance sheet of Applicant attached.

7. *Any plans involving capital improvement programs of Applicant or any of its subsidiaries.*

Applicant must and will accept the responsibility of providing each of its subsidiary banks with additional capital funds if the subsidiaries cannot retain sufficient capital out of their own earnings. A preliminary study by Applicant of the capital requirements of its four subsidiaries indicates that within the next two years the following additions to capital could properly and profitably be made:

The First National Bank of Denver	None
The First National Bank of Bear Valley	$400,000.00
The First National Bank of North Glenn	$400,000.00
The First National Bank of Southglenn	$200,000.00

Applicant has not yet determined the best and proper method for it to raise funds for its own account so that it will have the ability of providing additional capital to the three subsidiaries mentioned nor has it determined whether the amounts above specified are sufficient and adequate. Such determinations are under consideration.

EXHIBIT D

4. *Any plans involving capital improvement programs of Bank.*

None

EXHIBIT E

1. *As of the date of the latest available midyear or year-end condition report, the number and amount of IPC deposits segregated by demand, savings, and time (each by size of account), similar to that furnished the FDIC for use in its latest Summary of Deposits. If available, the information for IPC demand deposits should be provided separately for business and household accounts. Separate data should be supplied for:*

(a) *Each office of Bank and the total for Bank;*

This information was filed with original application and included figures as of June 29, 1968, which are the latest figures available as prepared for the FDIC. In addition, a statement was made in EXHIBIT D, Item 1. (a) "In opinion of Greeley's management no significant change has occurred in composition of deposits since June 30, 1968."

2. *As of the date of the latest midyear or year-end condition report available, the amount of Bank's:*

(a) *Instalment loans to individuals for household, family, or other personal purposes, indicating the approximate amount originated by Bank and the amount purchased from others, segregated as to the amount purchased from vendors located within and without Bank's service area;*

Amount originated by Bank =	$1,659,739.18
Amount purchased from others:	
Within Bank's service area =	437,651.80
Outside Bank's service area =	-0-
Total	$2,097,390.98

(b) *Residential mortgage loans, indicating the approximate amount originated by the Bank and the*

amount purchased from others, segregated as to sellers located within and without Bank's service area;

Originated by the Bank = $1,713,280.44

No residential mortgage loans purchased from others.

EXHIBIT G

2. *The estimated proportions of:*

(a) *Bank's IPC demand, savings, and time deposits which originate in the service area of each of Applicant's subsidiary banks, or of Applicant, if it is a bank:*

Bank's deposits originating within the Denver Standard Metropolitan Statistical Area, that area considered to be the primary service area of First National, are as follows: (See explanation on page G-4 of Application.)

Demand	162 accounts	$337,226.86
Time and Savings	183 accounts	446,052.22
Total	345 accounts	$783,279.08

(b) *Bank's commercial and industrial loans, farm loans, instalment loans, commercial mortgage loans, and residential mortgage loans which originate in the service area of each of Applicant's subsidiary banks, or of Applicant if it is a bank.*

Bank's loans originating within the Denver Standard Metropolitan Stastical Area, that area considered to be the primary service area of First National, are as follows: (See explanation on page G-5 of Application.)

Commercial and Industrial	4 loans	$276,284.40
Farm	2 loans	348,263.75
Residential Real Estate	1 loan	36,000.00
Commercial Real Estate	-0-	-0-
Consumer	59 loans	148,568.87
Total	66 loans	$809,117.02

4. *All offices of banks that are subsidiaries of the Applicant, and of Applicant if it is a bank; that compete with any office of Bank, indicating:*

(a) *Location;*

(b) *Approximate road miles (by the most accessible and traveled route) and direction each office listed is from the office of Bank;*

(c) *Whether Applicant, or any of Applicant's subsidiary banks, plans to change the location of, or to discontinue, any such office, giving the reasons therefor;*

(d) *Whether Applicant, or any of Applicant's subsidiary banks, has any application pending for, or has received approval for, establishment of one or more branches that will be competing within the service area of Bank;*

(e) *The approximate geographic limits of the service area of each competing banking office determined on the same basis as that used to determine the service area of Bank;*

(f) *The estimated proportions of IPC demand, time, and savings deposits of each competing office, originating in the service area of Bank;*

(g) *The estimated proportions of commercial and industrial loans, farm loans, instalment loans, commercial mortgage loans, and residential mortgage loans of each competing office originating in the service area of Bank;*

(h) *If Applicant has no subsidiary bank with an office competing in Bank's service area, give location of the office of the subsidiary bank that is closest to an office of Bank, together with the approximate road miles separating said offices.*

Applicant has no subsidiary bank competing in Greeley's Primary Service Area. Applicant's closest subsidiary to Greeley is The First National Bank of North Glenn, Colorado, whose only office is situated approximately 46 miles from the city of Greeley. First National, however, does have a real estate loan production office in the city of Greeley. (Please refer to EXHIBIT F.)

THE FIRST NATIONAL BANCORPORATION, INC.
P.O. BOX 5605 T.A.
DENVER, COLORADO 80217

September 8, 1969

Federal Reserve Bank of Kansas City
Federal Reserve Station
Kansas City, Missouri 64198

Gentlemen:

In connection with the application by The First National Bancorporation, Inc. to acquire 80% or more of the outstanding shares of The First National Bank of Greeley, I wish to certify that there was no material change in the financial condition of the Applicant between June 30, 1969, the date of the attached financial statement, and the date of the application, July 9, 1969.

Very truly yours,
/s/ Bruce D. Alexander
BRUCE D. ALEXANDER
Executive Vice President

THE FIRST NATIONAL BANCORPORATION, INC.
BALANCE SHEET, JUNE 30, 1969
(Parent Company Only)

Assets		
Current Assets—Cash		$ 37,088
Investment in Stock of Subsidiary Banks—Representing the Company's interest in the underlying net assets:	Percent Owned	
The First National Bank of Denver	99.65%	42,524,750
The First National Bank of Bear Valley	90.51%	528,707
The First National Bank of North Glenn	93.49%	475,108
The First National Bank of Southglenn	88.81%	329,686
Other—Stock issuance and organization expense (less amortization of $6,875)		177,425
TOTAL:		$44,072,764
Liabilities		
Current Liabilities—Accrued taxes		$ 8,666
Note Payable—Due October 31, 1971, interest payable quarterly at prime rate		185,000
Stockholders' Equity:		
Common stock, $10 par value: Authorized 3,500,000 shares; issued and outstanding, 1,488,585	$14,885,850	
Paid-in surplus	27,154,577	
Retained earnings	1,838,671	
Stockholders' equity		43,879,098
TOTAL:		$44,072,764

As supplemental information, while Applicant does not have a subsidiary bank considered to be competing with Greeley, First National does have a number of deposit and loan accounts located within Greeley's Primary Service Area. These are more particularly delineated as follows: (as of July 31, 1969)

Deposits:		
(*) Demand	39 accounts	$1,109,805.28
Time and Savings	41 accounts	$ 107,151.39
Loans:		
Personal	28 loans	$2,051,115.00
(The majority of these loans were detailed in the original application as "CONFIDENTIAL" material.)		
Residential Real Estate	3 loans	$ 51,823.25
(*) Commercial Real Estate	1 loan	$ 289,553.00
(*) Commercial and Industrial	2 loans	$ 777,500.00
(*) Farm	18 loans	$4,370,713.00

* Three of First National's larger customers live within Greeley's Primary Service Area. They are (1) Monfort Feed Lots, Inc.; (2) Monfort Packing Company, and (3) Farr Farms Company. These companies are long time customers of First National and are engaged in either livestock feeding or livestock processing operations. The primary reason these accounts are handled directly by First National is that the Greeley banks have been unable to handle their extremely large financing requirements whose approved lines of credit are in excess of $20,000,000. Monfort's credit needs are constantly in eight-figure amounts, and Farr's needs are in seven-figure amounts throughout the year.

In the items listed above, "Demand Deposits" associated with Monfort entities totaled $878,147.60; "Commercial Real Estate" is all attributable to Monfort; "Commercial and Industrial" loans to Monfort total $576,000.00; and in the "Farm" loan category, $1,918,500 is to Monfort and $1,513,000 is to Farr Farms Company. The remaining Farm loans are participations from various Greeley banks either because such lines exceed the legal limits of the banks involved, or the banks are short of lendable funds.

THE FIRST NATIONAL BANCORPORATION, INC.

THE FIRST NATIONAL BANK OF GREELEY
GREELEY, COLORADO

EXHIBITS

ANNUAL REPORT

The First National Bancorporation, Inc.

TO OUR SHAREHOLDERS:

On October 18, 1968 The First National Bancorporation, Inc., which was incorporated under the laws of Colorado on December 1, 1967, had acquired through exchange of stock, controlling interests in The First National Bank of Denver and its three affiliated banks. As of October 18, 1968, the Bancorporation owned 99.67% of The First National Bank of Denver, 89.44% of The First National Bank of Bear Valley, 92.91% of The First National Bank of North Glenn, and 88.60% of The First National Bank of Southglenn.

We are confident that the multiple advantages of membership in a registered bank holding company will accrue to our four subsidiary banks and to the former stockholders in these banks who exchanged their shares.

The principal advantages of such membership are: (a) the competitive strength of the holding company itself; (b) the ability of a subsidiary bank to retain its own identity and operate autonomously as compared with a merger into a larger bank; (c) the ability of the company to generate funds for capital expansion for subsidiary banks and to provide with its own funds banking quarters for such subsidiaries; (d) the facility of extending the 109 year banking experience of The First National Bank of Denver to the other subsidiary banks; and (e) a more ready market for shares owned by the stockholders as well as diversification of banking interests.

The policy of our company is to expand as rapidly and as wisely as possible through the acquisition of other banks in Colorado (preferably banks in those growth areas where Bancorporation may make the most significant contribution to Colorado's economy and concurrently generate the highest profits for its shareholders) and through other legally permissible investments and activities.

We believe that in 1969 legislation will be passed in Congress to place one-bank holding companies under the Bank Holding Company Act of 1956 and, at the same time, expand the types of related businesses which may be organized or acquired by registered bank holding companies. The Board of Governors of The Federal Reserve System in a printed statement of principles released February 20, 1969, said, "one-bank holding companies and multi-bank holding companies should be afforded equal treatment under the law with respect to bank and non-bank acquisitions," and that "registered bank holding companies should be allowed to enter certain non-banking areas of activity, specified in statute or agency regulation, which would facilitate broader services for the public." We believe this to be a fair statement of principles and, dependent upon resulting legislation and consistent with our policies, will take advantage of each opportunity afforded us.

We are pleased that bank growth via the registered bank holding company route is becoming well accepted throughout Colorado as evidenced by the announcement of the proposed formation of three additional companies. Others, we know, are under consideration.

We sincerely appreciate the support of our shareholders and of the many officers and employees of the member banks. We earnestly solicit your continued support.

Sincerely,

Montgomery Dorsey

Montgomery Dorsey,
Chairman of the Board

Eugene H. Adams

Eugene H. Adams,
President

THE FIRST NATIONAL BANCORPORATION, INC.

CONSOLIDATED BALANCE SHEET
(UNAUDITED)

	DECEMBER 31	
RESOURCES	**1968**	**1967**
Cash and Due from Banks	$159,938,538	$144,963,993
U.S. Government Obligations (Note 2)	64,734,869	62,139,171
Obligations of States and Political Subdivisions (Note 2)	42,519,033	42,345,054
Obligations of Federal Agencies (Note 2)	6,000,000	2,000,000
Other Securities (Note 2)	950,823	948,500
Federal Funds Sold	1,400,000	2,150,000
Loans, Less Reserve for Loan Losses (Note 3)	345,678,607	298,708,319
Bank Premises and Equipment, Less Accumulated Depreciation (Note 5)	15,531,552	15,879,629
Customers' Acceptance Liability	261,237	90,983
Income Earned, Uncollected	4,834,631	4,421,814
Other Assets	4,665,015	1,372,066
Total	$646,514,305	$575,019,529
LIABILITIES		
Deposits:		
(a) Demand	$338,841,139	$300,800,830
(b) Time	230,100,382	222,328,522
Total	568,941,521	523,129,352
Federal Funds Purchased and Securities Sold Under Agreements to Repurchase	21,614,607	-0-
Funds Borrowed	185,000	-0-
Mortgages Payable (Note 6)	5,384,092	5,808,852
Acceptances Outstanding	261,237	90,983
Income Collected, Unearned	1,924,524	1,656,938
Other Liabilities	5,321,719	4,154,353
Total	603,632,700	534,840,478
Minority Interests in Subsidiary Banks	283,512	267,078
Stockholders' Equity	42,598,093	39,911,973
Total	$646,514,305	$575,019,529

See Notes to Consolidated Financial Statements

DIRECTORS

*MONTGOMERY DORSEY
Chairman of the Board, The First National Bank of Denver

*EUGENE H. ADAMS
President, The First National Bank of Denver

*BRUCE D. ALEXANDER
Senior Vice President, The First National Bank of Denver

LEE C. ASHLEY
Senior Vice President and Cashier, The First National Bank of Denver

G. B. AYDELOTT
President, The Denver and Rio Grande Western Railroad Company

RICHARD P. BROWN
Senior Vice President and Executive Trust Officer, The First National Bank of Denver

EDWARD B. CLOSE, JR.
Partner, Hughes & Dorsey, Attorneys

JOHN EVANS, JR.
President, Evans Investment Company

†FREDERICK M. FARRAR
Chairman of the Board, The First National Bank of Pueblo, Pueblo, Colorado

W. COLES HUGGINS
Executive Vice President, Mountain States Telephone and Telegraph Company

SAMUEL T. JONES
Insurance, Pueblo, Colorado

JOHN M. KING
Chairman of the Board, King Resources Company

WILLIAM H. KISTLER
President, W. H. Kistler Stationery Company

DAVIS W. MOORE
Investments

J. SIMS NORMAN, M.D.
Physician, Pueblo, Colorado

GERALD H. PHIPPS
President, Gerald H. Phipps, Inc.

*DONALD E. PROVOST
President, Stearns-Roger Corporation

BARRY MORREY SULLIVAN
President, Morrey Realty Company

*RUSSELL T. TUTT
President, El Paso Investment Company, Colorado Springs, Colorado

*WILLIAM M. WHITE, JR.
Chairman of the Board and President, Great Western United Corporation

*Member Executive Committee †Resigned January 13, 1969

ADVISORY DIRECTORS

JOSEPH B. BOYD
President, The First National Bank of Southglenn

RICHARD C. MECKLEY
President, The First National Bank of Bear Valley

WESLEY J. WATSON
Executive Vice President, The First National Bank of North Glenn

OFFICERS

MONTGOMERY DORSEY
Chairman of the Board

EUGENE H. ADAMS
President

BRUCE D. ALEXANDER
Executive Vice President

RICHARD S. FITZGERALD
Vice President

LEE C. ASHLEY
Treasurer

EDWARD B. CLOSE, JR.
Secretary

CONSOLIDATED STATEMENT OF INCOME
(UNAUDITED)

	FOR THE YEARS ENDED DECEMBER 31	
OPERATING INCOME:	**1968**	**1967**
Interest and Fees on Loans	$ 21,877,146	$ 17,952,142
Interest and Dividends on:		
U.S. Government Obligations	2,996,846	2,501,824
Obligations of States and Political Subdivisions	1,518,674	1,327,869
Trust Department	5,104,779	4,147,818
Other	3,552,633	2,447,008
Total	$ 35,050,078	$ 28,376,461
OPERATING EXPENSES:		
Salaries and Bonuses	7,572,287	6,544,779
Pensions, Profit Sharing and Other Employee Benefits	889,467	1,112,435
Interest on Deposits	10,575,801	8,972,388
Interest on Borrowed Money	303,065	313,152
Net Occupancy – Bank Premises	914,816	825,483
Equipment Rentals, Depreciation, Maintenance	1,606,957	1,447,970
Other	4,178,473	2,023,553
Total	26,040,866	21,239,670
OPERATING INCOME BEFORE INCOME TAX	9,009,212	7,136,792
INCOME TAXES APPLICABLE TO OPERATING INCOME	4,186,468	2,881,246
NET OPERATING INCOME BEFORE MINORITY INTEREST	4,822,744	4,255,538
MINORITY INTEREST	33,033	24,782
NET OPERATING EARNINGS	4,789,711	4,230,756
NON-OPERATING ADDITIONS (DEDUCTIONS) NET OF RELATED INCOME TAXES OF: 1968, $438,319; 1967, $340,794:		
Provision for Loan Losses (Note 3)	$ (326,699)	$ (313,175)
Net Security Losses	(83,430)	(2,423)
Other-Net	16,103	(10,115)
Minority Interest in Non-Operating Items	7,120	3,067
Net Non-Operating Deductions	(386,906)	(322,646)
NET INCOME	$ 4,402,805	$ 3,908,110
PER SHARE OF COMMON STOCK:		
Net Operating Earnings	$3.22	$2.84
Net Income	$2.96	$2.63

See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENT OF STOCKHOLDERS EQUITY
(UNAUDITED)

	DECEMBER 31	
	1968	**1967**
BALANCE, January 1	$ 39,911,973	$ 37,420,990
ADDITIONS – Consolidated Net Income	4,402,805	3,908,110
DEDUCTION – Cash Dividends Declared	(1,716,685)	(1,417,127)
BALANCE, December 31	$ 42,598,093	$ 39,911,973

See Notes to Consolidated Financial Statements

THE FIRST NATIONAL BANCORPORATION, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 1968 (UNAUDITED)

1. PRINCIPLES OF CONSOLIDATION

The acquisition of the stock of the four subsidiary banks effective October 18, 1968 has been accounted for on a pooling of interests basis. The accompanying consolidated financial statements have been prepared to reflect the merger retroactively and include the accounts of the Parent Corporation and all subsidiaries. All intercompany transactions have been eliminated.

2. SECURITIES

Investment securities are included in the balance sheet at cost, adjusted for acretion of discount and amortization of premium. The market values on December 31, 1968 were: U.S. Government Obligations, $64,195,020; Obligations of States and political subdivisions, $41,639,302; Obligations of Federal agencies, $5,908,750; Other securities, $950,823.

3. RESERVE FOR LOAN LOSSES

The provision for loan losses transferred to the reserve is based on the deduction allowable for Federal income tax return purposes and is not based on actual loan loss experience. Following is a summary of the transactions in the reserve for loan losses:

	Year ended December 31, 1968	1967
Reserve balance, January 1	$3,556,945	$2,983,745
Transfer to reserve	683,000	640,700
Total	4,239,945	3,624,445
Loans charged off, net of recoveries	519,621	67,500
Reserve balance, December 31	$3,720,324	$3,556,945

4. PENSIONS

The subsidiary banks have a noncontributory pension plan covering all regular full-time employees. The total pension expense for 1968 was $261,000 which included no amount for past service costs. No specific funding or accounting method for past service costs has been adopted, and the amount charged to expense may vary from year to year. At December 31 the unfunded value of vested benefits was approximately $3,000,000.

5. BANK PREMISES AND EQUIPMENT

	Asset	Accumulated Depreciation
Balances at December 31, 1968:		
Land	$ 486,120	
Buildings and leasehold improvements	21,311,360	$7,142,098
Furniture and equipment	2,351,456	1,475,286
Total	$24,148,936	$8,617,384

The Companies provide for depreciation of buildings and leasehold improvements on a straight line basis over estimated useful lines varying from seven to fifty years and for depreciation of furniture and equipment on straight-line and accelerated bases over estimated useful lines varying from three to forty years. Depreciation expense for 1968 totaled $904,789.

6. MORTGAGES PAYABLE

Certain properties are assigned as collateral to mortgages payable. The mortgages bear interest at rates ranging from 4½% to 6% and are payable $175,000 each quarter, including principal and interest.

7. INCOME TAXES

Income taxes are provided based on financial accounting income adjusted for nontaxable items, such as interest on obligations of States and political subdivisions. The current year's provision has been reduced by investment credits of $20,391 currently allowable on the Federal income tax return. There are no unused investment credits available to offset income taxes of future years.

BALANCE SHEET, DECEMBER 31, 1968
(PARENT COMPANY ONLY)

ASSETS		
CURRENT ASSETS – Cash		$ 4,723
INVESTMENT IN STOCK OF SUBSIDIARY BANKS – Representing the Company's interest in the underlying net assets:	Percent Owned	
The First National Bank of Denver	99.64%	41,290,114
The First National Bank of Bear Valley	89.44%	505,278
The First National Bank of North Glenn	92.91%	449,200
The First National Bank of Southglenn	88.60%	313,918
OTHER – Stock issuance and organization expense (less amortization of $2,292)		182,010
TOTAL		$42,785,243
LIABILITIES		
CURRENT LIABILITIES – Accrued interest and taxes		$ 2,150
NOTE PAYABLE – Due October 31, 1971, interest payable quarterly at prime rate		185,000
STOCKHOLDERS' EQUITY:		
Common stock, $10 par value: authorized, 3,500,000 shares; issued and outstanding, 1,488,585	$14,885,850	
Paid-in surplus	27,154,577	
Retained earnings	557,666	
Stockholders' equity		42,598,093
TOTAL		$42,785,243

STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE PERIOD FROM OCTOBER 18, 1968 TO DECEMBER 31, 1968
(PARENT COMPANY ONLY)

INCOME FROM SUBSIDIARY BANKS:		
Cash dividends		$ 546,404
Equity in undistributed earnings since acquisition		530,233
Management and service fees		24,000
TOTAL		1,100,637
EXPENSES:		
Services purchased from The First National Bank of Denver	$6,891	
Directors' fees	2,500	
Association dues	2,341	
Amortization	2,292	
Interest	1,320	
Other	5,792	
TOTAL		$ 21,136
INCOME BEFORE INCOME TAXES		1,079,501
PROVISION FOR INCOME TAXES		830
NET INCOME		1,078,671
CASH DIVIDENDS PAID		521,005
RETAINED EARNINGS, DECEMBER 31, 1968		$ 557,666

NOTE: The Company began operations October 18, 1968 upon exchange of its stock for stock of the subsidiary banks.

ACCOUNTANTS' OPINION

HASKINS & SELLS
CERTIFIED PUBLIC ACCOUNTANTS

818 SEVENTEENTH STREET
DENVER 80202

OPINION OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors and Shareholders
of The First National Bancorporation, Inc.:

We have examined the balance sheet of The First National Bancorporation, Inc. (Parent Company only - a Colorado Corporation) as of December 31, 1968, and the related statement of income and retained earnings for the period from October 18, 1968 (date commenced operations) to December 31, 1968. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances, except that we have not examined the financial statements of the subsidiary banks.

Inasmuch as we have not examined the financial statements of the subsidiary banks, and the Company's investment in these banks constitutes the major part of its assets and the source of the major part of its income, we are unable to express an opinion on the accompanying Parent Company only financial statements taken as a whole (nor does our opinion, expressed below, extend to amounts included in the financial statement captions entitled "Investment in stock of subsidiary banks" and "Equity in undistributed earnings since acquisition" or the effect of transactions therein on net income and retained earnings). However, in our opinion, the accompanying Parent Company only balance sheet presents fairly in all material respects the other assets and liabilities of the Company as of December 31, 1968, and the accompanying statement of income and retained earnings presents fairly in all material respects the other income and expenses of the Company for the period from October 18, 1968 to December 31, 1968, in conformity with generally accepted accounting principles consistently applied.

Haskins & Sells

Denver, Colorado,
February 10, 1969

THE FIRST NATIONAL BANK OF DENVER

CONSOLIDATED BALANCE SHEET
FOR THE YEARS ENDED DECEMBER 31, 1968 AND 1967

	DECEMBER 31 1968	1967
RESOURCES		
Cash and Due from Banks	$157,768,234	$143,454,618
U.S. Government Obligations	61,037,105	58,567,338
Obligations of States and Political Subdivisions	41,417,073	42,064,102
Obligations of Federal Agencies	6,000,000	2,000,000
Other Securities	921,573	920,000
Federal Funds Sold	1,400,000	2,150,000
*Loans	332,708,778	289,284,822
Bank Premises and Equipment	15,059,918	15,456,957
Customers' Acceptance Liability	261,237	90,983
Income Earned, Uncollected	4,708,435	4,341,163
Other Assets	4,468,160	1,355,697
Total Resources	**$625,750,513**	**$559,705,680**
*After Deduction of Loan Reserve	$ 3,552,294	$ 3,463,690
LIABILITIES		
Deposits:		
(a) Demand	$330,634,483	$295,288,415
(b) Time	219,614,342	214,107,292
Total	550,248,825	509,395,707
Federal Funds Purchased and Securities Sold Under Agreement to Repurchase	21,614,607	-0-
Mortgages Payable	5,384,092	5,808,852
Acceptances Outstanding	261,237	90,983
Income Collected, Unearned	1,614,838	1,517,325
Other Liabilities	5,187,616	4,053,714
Total Liabilities	$584,311,215	$520,866,581
CAPITAL ACCOUNTS		
Equity Capital:		
Common Stock: 500,000 Shares Authorized and Outstanding, Total Par Value	$ 10,000,000	$ 10,000,000
Surplus	20,000,000	20,000,000
Undivided Profits	11,439,298	8,839,099
Total Capital Accounts	$ 41,439,298	$ 38,839,099
Total Liabilities and Capital	**$625,750,513**	**$559,705,680**

THE FIRST NATIONAL BANK OF DENVER

CONSOLIDATED STATEMENT OF EARNINGS
FOR THE YEARS ENDED DECEMBER 31, 1968 AND 1967

	DECEMBER 31	
	1968	1967
OPERATING INCOME:		
Interest and Fees on Loans	$ 20,912,503	$ 17,204,522
Interest and Dividends on:		
U.S. Government Obligations	2,842,052	2,465,723
Obligations of States and Political Subdivisions	1,491,168	1,325,226
Service Charges on Deposit Accounts	857,445	829,146
Trust Department	5,104,779	4,147,618
Other	2,454,636	1,423,418
Total	33,662,583	27,395,653
OPERATING EXPENSES:		
Salaries and Bonuses	7,188,115	6,262,810
Pensions, Profit Sharing, and Other Employee Benefits	852,713	1,085,060
Interest on Deposits	10,122,960	8,662,381
Interest on Borrowed Money	301,709	313,152
Net Occupancy – Bank Premises	841,861	760,507
Equipment Rentals, Depreciation, Maintenance	1,568,645	1,418,419
Other	4,013,543	1,900,292
Total	24,889,546	20,402,621
OPERATING EARNINGS BEFORE INCOME TAX	8,773,037	6,993,032
INCOME TAXES APPLICABLE TO OPERATING EARNINGS	4,127,050	2,840,458
NET OPERATING EARNINGS	4,645,987	4,152,574
Per Share (500,000 Shares)	$9.29	$8.31
NON-OPERATING ADDITIONS – NET AFTER TAX EFFECT:		
(All sundry other items)	38,825	12,940
NON-OPERATING DEDUCTIONS – NET AFTER TAX EFFECT:		
Net Security Losses	83,430	2,423
Transfer to Reserve for Loan Losses	266,208	293,280
Other	19,975	22,987
Total Non-operating Deductions	369,613	318,690
NET NON-OPERATING ADDITIONS (DEDUCTIONS)	(330,788)	(305,750)
TRANSFERRED TO UNDIVIDED PROFITS	$ 4,315,199	$ 3,846,824
PER SHARE (500,000 Shares)	$8.63	$7.69

CONSOLIDATED RECONCILEMENT OF CAPITAL ACCOUNTS FOR THE YEARS ENDED DECEMBER 31, 1968 AND 1967

	1968	1967
BALANCE, BEGINNING OF YEAR	$ 38,839,099	$ 36,392,275
Additions—Transferred from Statement of Earnings	4,315,199	3,846,824
Deductions—Cash Dividends Declared (per Share*: 1968, $3.43; 1967, $2.80)	(1,715,000)	(1,400,000)
BALANCE, END OF YEAR	$ 41,439,298	$ 38,839,099

*500,000 Shares Outstanding

DIRECTORS

*EUGENE H. ADAMS
President

*G. B. AYDELOTT
President, The Denver and Rio Grande Western Railroad Company

SIDNEY L. BROCK, JR.
Retired Senior Vice President

*RICHARD P. BROWN
Senior Vice President and Executive Trust Officer

THEODORE D. BROWN
President, Security State Bank Sterling, Colorado

ROBERT L. CAMPBELL
Vice President, Safeway Stores, Inc.

CLARENCE J. DALY
President, Daly Companies

*MONTGOMERY DORSEY
Chairman of the Board

JOHN EVANS, JR.
President, Evans Investment Company

JOHN A. FERGUSON, JR.
President, Strasm Realty Corporation

*W. COLES HUDGINS
Executive Vice President, Mountain States Telephone and Telegraph Company

FRANK A. KEMP
Retired Chairman of the Board, The Great Western Sugar Company

*JOHN M. KING
Chairman, King Resources Company

WILLIAM H. KISTLER
President, W. H. Kistler Stationery Company

DAVIS W. MOORE
Investments

HUDSON MOORE, JR.
President, Walter S. Cheesman Realty Company

AKSEL NIELSEN
Chairman of the Board, Mortgage Investments Company

J. SIMS NORMAN, M.D.
Physician, Pueblo, Colorado

GERALD H. PHIPPS
President, Gerald H. Phipps, Inc.

WALTER J. PREDOVICH
Predovich and Ward, Attorneys

DONALD E. PROVOST
President, Stearns-Roger Corporation

HAROLD F. SILVER
President, Silver Corporation

BARRY MOREY SULLIVAN
President, Morey Realty Company

RUSSELL T. TUTT
President, El Pomar Investment Company Colorado Springs, Colorado

MAHLON T. WHITE
Southern Colorado Banker

HONORARY DIRECTORS

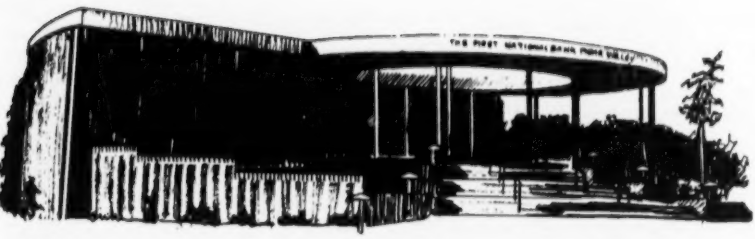
JOHN EVANS, SR.
Retired Honorary Chairman

W. C. KURTZ
President, Independent Lumber Company

JAMES A. WOODS
Fairfield and Woods, Attorneys

*Member Executive Committee

THE FIRST NATIONAL BANK OF BEAR VALLEY



CONSOLIDATED BALANCE SHEET

	DECEMBER 31	
RESOURCES	**1968**	**1967**
Cash and Due from Banks	$ 828,731	$ 638,825
U.S. Government Obligations	1,269,658	1,208,621
Obligations of States and Political Subdivisions	656,281	210,919
Federal Reserve Bank Stock	12,450	12,000
Loans	5,739,660	4,102,607
Bank Premises and Equipment	297,144	295,815
Income Earned, Uncollected	53,595	37,168
Other Assets	4,237	879
Total Resources	**$ 8,861,756**	**$ 6,506,834**
After Deduction of Loan Reserve	$ 88,103	$ 49,790
LIABILITIES		
Deposits:		
(a) Demand	$ 3,480,495	$ 2,434,680
(b) Time	4,431,721	3,257,160
Total	$ 7,912,216	$ 5,691,840
Mortgages Payable	175,000	175,000
Income Collected, Unearned	155,575	55,021
Other Liabilities	54,030	40,515
Total Liabilities	$ 8,296,821	$ 5,962,376
CAPITAL ACCOUNTS		
Equity Capital:		
Common stock: 275,000 Shares Authorized and Outstanding, Total Par Value	275,000	275,000
Surplus	140,000	130,000
Undivided Profits	149,935	139,458
Total Capital Accounts	$ 564,935	$ 544,458
Total Liabilities and Capital	**$ 8,861,756**	**$ 6,506,834**

CONSOLIDATED STATEMENT OF EARNINGS
FOR THE YEARS ENDED DECEMBER 31, 1968 AND 1967

	1968	
OPERATING INCOME:		
Interest and Fees on Loans	$ 398,206	$
Interest and Dividends on:		
U.S. Government Obligations	60,813	
Obligations of States and Political Subdivisions	16,643	
Other	118,138	
Total	$ 593,800	$
OPERATING EXPENSES:		
Salaries and Bonuses	150,891	
Pensions, Profit Sharing, and Other Employee Benefits	15,584	
Interest on Deposits	178,509	
Interest on Borrowed Money	8,786	
Net Occupancy – Bank Premises	26,092	
Equipment Rentals, Depreciation, Maintenance	15,705	
Other	107,243	
Total	$ 502,810	$
OPERATING EARNINGS BEFORE INCOME TAX	90,990	
INCOME TAXES APPLICABLE TO OPERATING EARNINGS	19,018	
NET OPERATING EARNINGS	71,972	
Per Share (275,000 Shares)	$.262	
NON-OPERATING ADDITIONS – NET AFTER TAX EFFECT (All sundry other items)	42	
NON-OPERATING DEDUCTIONS – NET AFTER TAX EFFECT:		
Transfer to Reserve for Loan Losses	30,200	
Other	712	
Total Non-operating Deductions	$ 30,912	$
NET NON-OPERATING ADDITIONS (DEDUCTIONS)	(30,870)	
TRANSFERRED TO UNDIVIDED PROFITS	$ 41,102	$
PER SHARE (275,000 Shares)	$.149	

CONSOLIDATED RECONCILEMENT OF CAPITAL ACCOUNTS
FOR THE YEARS ENDED DECEMBER 31, 1968 AND 1967

	1968	
BALANCE, BEGINNING OF YEAR	$ 544,458	$
Additions – Transferred from Statement of Earnings	41,102	
Deductions – Cash Dividends Declared (per Share*: 1968, $.075; 1967, $.05)	(20,625)	
BALANCE, END OF YEAR	$ 564,935	$

*275,000 Shares Outstanding

DIRECTORS

*EUGENE H. ADAMS
Chairman of the Board

BRUCE D. ALEXANDER
Senior Vice President, The First National Bank of Denver

†LEE C. ASHLEY
Senior Vice President and Cashier, The First National Bank of Denver

CLAIR A. BACON
Senior Vice President, The First National Bank of Denver

ROBERT D. BINDER
Vice President

ROBERT G. BOUCHER
Vice President, The First National Bank of Denver

EDWARD B. CLOSE, JR.
Partner, Hughes & Dorsey, Attorneys

RICHARD C. MECKLEY
President

G. M. MULLIN
Secretary-Treasurer, Hutchinson Hot

JACK M. MUSE
Assistant Vice President, The First Na Bank of Denver

THOMAS P. O'ROURKE
Vice President, The First National Ba

*Resigned February 21, 1969 †Elected Chairman of the Board, February 21, 1969

THE FIRST NATIONAL BANK OF NORTH GLENN

BALANCE SHEET

	DECEMBER 31	
RESOURCES	**1968**	**1967**
Cash and Due from Banks	$ 800,523	$ 567,325
U.S. Government Obligations	1,223,124	1,335,227
Obligations of States and Political Subdivisions	445,679	50,033
Federal Reserve Bank Stock	10,050	9,750
*Loans	4,937,011	3,648,233
Bank Premises and Equipment	155,999	109,113
Income Earned, Uncollected	49,046	27,563
Other Assets	4,691	2,731
Total Resources	**$ 7,626,123**	**$ 5,749,975**
*After Deduction of Loan Reserve	$ 54,199	$ 30,379
LIABILITIES		
Deposits:		
(a) Demand	$ 3,091,416	$ 1,973,382
(b) Time	3,878,074	3,220,617
Total	6,969,490	5,193,999
Income Collected, Unearned	120,370	61,327
Other Liabilities	52,783	41,298
Total Liabilities	$ 7,142,643	$ 5,296,624
CAPITAL ACCOUNTS		
Equity Capital		
Common Stock: 212,500 Shares Authorized and Outstanding, Total Par Value	$ 212,500	$ 212,500
Surplus	122,500	117,500
Undivided Profits	148,480	123,351
Total Capital Accounts	$ 483,480	$ 453,351
Total Liabilities and Capital	**$ 7,626,123**	**$ 5,749,975**

STATEMENT OF EARNINGS
FOR THE YEARS ENDED DECEMBER 31, 1968 AND 1967

	1968	1967
OPERATING INCOME:		
Interest and Fees on Loans	$ 357,100	$ 299,000
Interest and Dividends on:		
U.S. Government Obligations	75,983	12,921
Obligations of States and Political Subdivisions	10,863	585
Other	150,299	123,515
Total	$ 594,245	$ 436,021
OPERATING EXPENSES:		
Salaries and Bonuses	156,125	126,788
Pensions, Profit Sharing, and Other Employee Benefits	13,866	12,294
Interest on Deposits	184,086	125,636
Net Occupancy – Bank Premises	32,692	26,966
Equipment Rentals, Depreciation, Maintenance	13,309	11,329
Other	99,963	82,078
Total	$ 500,041	$ 385,071
OPERATING EARNINGS BEFORE INCOME TAX	94,204	50,950
INCOME TAXES APPLICABLE TO OPERATING EARNINGS	24,455	19,368
NET OPERATING EARNINGS	69,749	31,582
Per Share (212,500 Shares)	$.328	$.149
NON-OPERATING ADDITIONS – NET AFTER TAX EFFECT (all sundry other items)	162	
NON-OPERATING DEDUCTIONS – NET AFTER TAX EFFECT:		
Transfer to Reserve for Loan Losses	21,375	4,742
Other	2,469	
Total Non-operating Deductions	$ 23,844	$ (4,742)
NET NON-OPERATING ADDITIONS (DEDUCTIONS)	(23,682)	(4,742)
EARNINGS BEFORE EXTRAORDINARY ITEM	46,067	26,840
EXTRAORDINARY ITEM		
Income Tax Credit Resulting from Operating Loss Carryovers		5,335
TRANSFERRED TO UNDIVIDED PROFITS	$ 46,067	$ 32,175
PER SHARE (212,500 Shares)	$.217	$.151

RECONCILEMENT OF CAPITAL ACCOUNTS
FOR THE YEARS ENDED DECEMBER 31, 1968 AND 1967

	1968	1967
BALANCE, BEGINNING OF YEAR	$ 453,351	$ 431,801
Additions – Transferred from Statement of Earnings	46,067	32,175
Deductions – Cash Dividends Declared (Per Share*: 1968, $.075; 1967, $.05)	(15,938)	(10,625)
BALANCE, END OF YEAR	$ 483,480	$ 453,351

*212,500 Shares Outstanding

DIRECTORS

*EUGENE H. ADAMS
Chairman of the Board

BRUCE D. ALEXANDER
Senior Vice President, The First National Bank of Denver

RAYMOND B. DANKS
Partner, Hughes & Dorsey, Attorneys

DONALD FERGUSON
Secretary, Strayen Realty Corporation

GLENN R. HAEFLIGER
Vice President

CLARENCE LILLER, JR.
Senior Vice President, The First National Bank of Denver

JORDON PERLMUTTER
Vice President, Perl-Mack Homes, Inc.

ROGER W. SMITH, JR.
President, Security Title of Adams County

HAROLD C. STILLMAN, JR.
President, Western Paving Construction Company

†CARROL L. STUBBS
Senior Vice President, The First National Bank of Denver

WESLEY J. WATSON
Executive Vice President

*Resigned February 19, 1969 †Elected Chairman of the Board, February 19, 1969

HE FIRST NATIONAL BANK OF SOUTHGLENN

BALANCE SHEET

	DECEMBER 31	
ESOURCES	**1968**	**1967**
sh and Due from Banks	$ 541,050	$ 303,225
S. Government Obligations	1,204,982	1,027,985
deral Reserve Bank Stock	6,750	6,750
ans	2,468,158	1,847,657
nk Premises and Equipment	18,491	17,744
come Earned, Uncollected	23,555	15,920
her Assets	5,917	609
Total Resources	**$ 4,268,903**	**$ 3,219,890**
ter Deduction of Loan Reserve	$ 25,728	$ 13,077
ABILITIES		
posits:		
(a) Demand	$ 1,679,468	$ 1,104,353
(b) Time	2,176,245	1,743,453
Total	3,855,713	2,847,806
come Collected, Unearned	33,741	23,265
her Liabilities	25,140	18,826
Total Liabilities	$ 3,914,594	$ 2,889,897
APITAL ACCOUNTS		
uity Capital		
mmon Stock: 250,000 Shares Authorized and Outstanding, Total Par Value	125,000	125,000
rplus	100,000	100,000
divided Profits	129,309	104,993
Total Capital Accounts	$ 354,309	$ 329,993
Total Liabilities and Capital	**$ 4,268,903**	**$ 3,219,890**

STATEMENT OF EARNINGS
FOR THE YEARS ENDED DECEMBER 31, 1968 and 1967

	1968	1967
OPERATING INCOME:		
Interest and Fees on Loans	$ 218,087	$ 153,990
Interest and Dividends on:		
U.S. Government Obligations	17,998	10,836
Other	64,903	50,330
Total	300,988	215,156
OPERATING EXPENSES:		
Salaries and Bonuses	77,156	51,078
Pensions, Profit Sharing, and Other Employee Benefits	7,304	2,962
Interest on Deposits	90,246	65,806
Net Occupancy – Bank Premises	14,171	13,233
Equipment Rentals, Depreciation, Maintenance	9,298	6,939
Other	54,696	40,830
Total	$ 252,871	$ 180,848
OPERATING EARNINGS BEFORE INCOME TAX	48,117	34,308
INCOME TAXES APPLICABLE TO OPERATING EARNINGS	15,115	8,430
NET OPERATING EARNINGS	33,002	25,878
Per Share (250,000 Shares)	$.132	$.104
NON-OPERATING ADDITIONS – NET AFTER TAX EFFECT (All sundry other items)	519	84
NON-OPERATING DEDUCTIONS – NET AFTER TAX EFFECT:		
Transfer to Reserve for Loan Losses	8,916	2,933
Other	289	10
Total Non-operating Deductions	9,205	2,943
NET NON-OPERATING ADDITIONS (DEDUCTIONS)	(8,686)	(2,859)
EARNINGS BEFORE EXTRAORDINARY ITEM	24,316	23,019
EXTRAORDINARY ITEM Income Tax Credit Resulting from Operating Loss Carryovers		2,628
TRANSFERRED TO UNDIVIDED PROFITS	$ 24,316	$ 25,647
PER SHARE (250,000 Shares)	$.097	$.103

RECONCILEMENT OF CAPITAL ACCOUNTS
FOR THE YEARS ENDED DECEMBER 31, 1968 and 1967

	1968	1967
BALANCE, BEGINNING OF YEAR	$ 329,993	$ 304,346
Additions – Transferred from Statement of Earnings	24,316	25,647
BALANCE, END OF YEAR	$ 354,309	$ 329,993

DIRECTORS

EUGENE H. ADAMS
Chairman of the Board

LEE C. ASHLEY
Senior Vice President and Cashier, The First National Bank of Denver

JOSEPH B. BOYD
President

FRANK P. GARDINER
Senior Vice President, The First National Bank of Denver

GEORGE C. GIBSON
Partner, Hughes & Dorsey, Attorneys

ROBERT M. O'DONNELL
President, Harman, O'Donnell & Hennenger Associates, Inc.

JORDON PERLMUTTER
Vice President, Perl-Mack Homes, Inc.

CARROL L. STUBBS
Senior Vice President, The First National Bank of Denver

J. RODNEY UHRICH
Vice President, The First National Bank of Denver

GEORGE M. WILFLEY
President, A. R. Wilfley & Sons, Inc.

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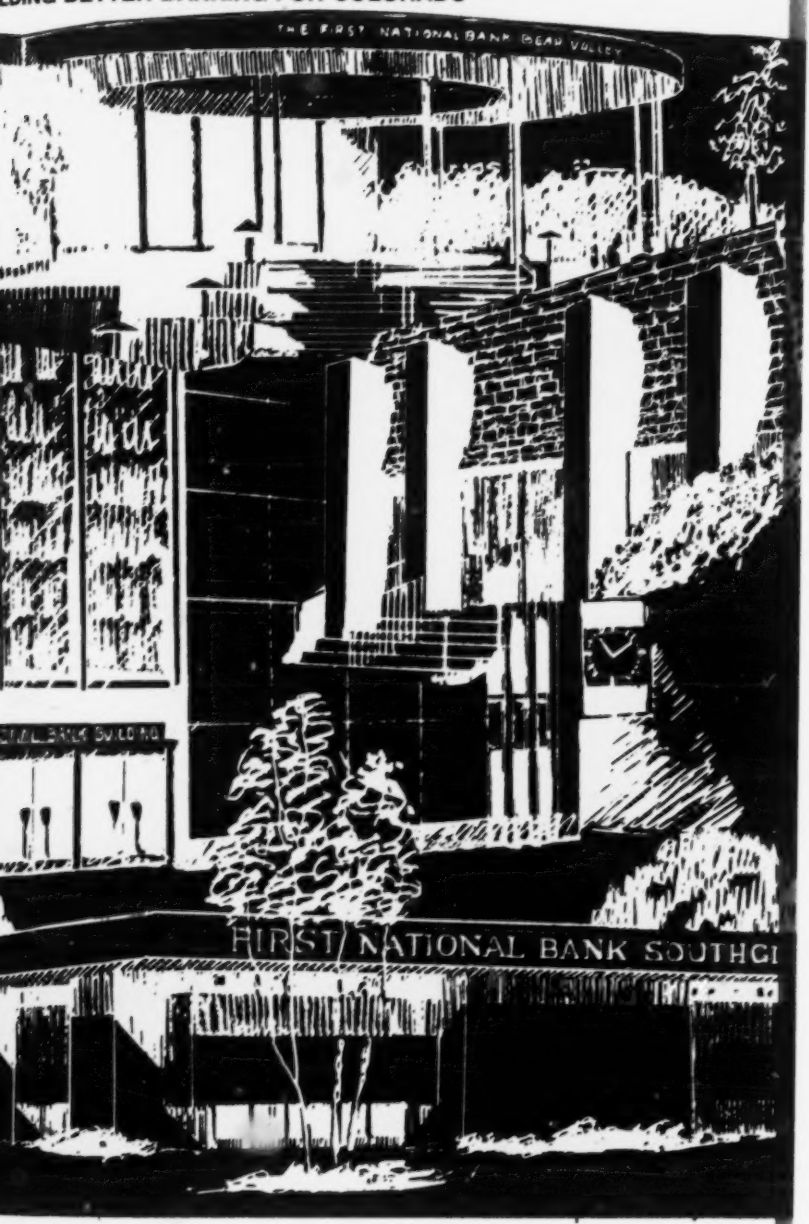
LDING BETTER BANKING FOR COLORADO



E TO EDGE

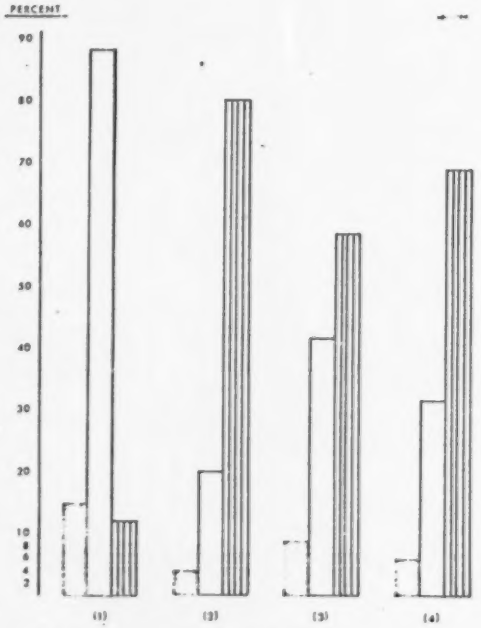
Liens Filed – Greeley's Primary Service Area
January 2, 1969 – April 30, 1969

(PERCENT OF NUMBER OF DOCUMENTS FILED)

FIRST NATIONAL - GREELEY

ALL BANKS IN GREELEY'S PRIMARY SERVICE AREA (Including First National)

NON-BANK FINANCIAL INSTITUTIONS



(1) Financing Statements - Livestock, Crops, Machinery

(2) Financing Statements - Furniture & Appliances

(3) Motor Vehicle Liens

(4) Real Estate Liens

EXHIBIT C-3

ANNUAL REPORT

The First National Bancorporation, Inc.

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TO OUR SHAREHOLDERS:

On October 18, 1968 The First National Bancorporation, Inc., which was incorporated under the laws of Colorado on December 1, 1967, had acquired through exchange of stock, controlling interests in The First National Bank of Denver and its three affiliated banks. As of October 18, 1968, the Bancorporation owned 99.67% of The First National Bank of Denver, 89.44% of The First National Bank of Bear Valley, 92.91% of The First National Bank of North Glenn, and 88.60% of The First National Bank of Southglenn.

We are confident that the multiple advantages of membership in a registered bank holding company will accrue to our four subsidiary banks and to the former stockholders in these banks who exchanged their shares.

The principal advantages of such membership are: (a) the competitive strength of the holding company itself; (b) the ability of a subsidiary bank to retain its own identity and operate autonomously as compared with a merger into a larger bank; (c) the ability of the company to generate funds for capital expansion for subsidiary banks and to provide with its own funds banking quarters for such subsidiaries; (d) the facility of extending the 109 year banking experience of The First National Bank of Denver to the other subsidiary banks; and (e) a more ready market for shares owned by the stockholders as well as diversification of banking interests.

The policy of our company is to expand as rapidly and as wisely as possible through the acquisition of other banks in Colorado (preferably banks in those growth areas where Bancorporation may make the most significant contribution to Colorado's economy and concurrently generate the highest profits for its shareholders) and through other legally permissible investments and activities.

We believe that in 1969 legislation will be passed in Congress to place one-bank holding companies under the Bank Holding Company Act of 1956 and, at the same time, expand the types of related businesses which may be organized or acquired by registered bank holding companies. The Board of Governors of The Federal Reserve System in a printed statement of principles released February 20, 1969, said, "one-bank holding companies and multi-bank holding companies should be afforded equal treatment under the law with respect to bank and non-bank acquisitions," and that "registered bank holding companies should be allowed to enter certain non-banking areas of activity, specified in statute or agency regulation, which would facilitate broader services for the public." We believe this to be a fair statement of principles and, dependent upon resulting legislation and consistent with our policies, will take advantage of each opportunity afforded us.

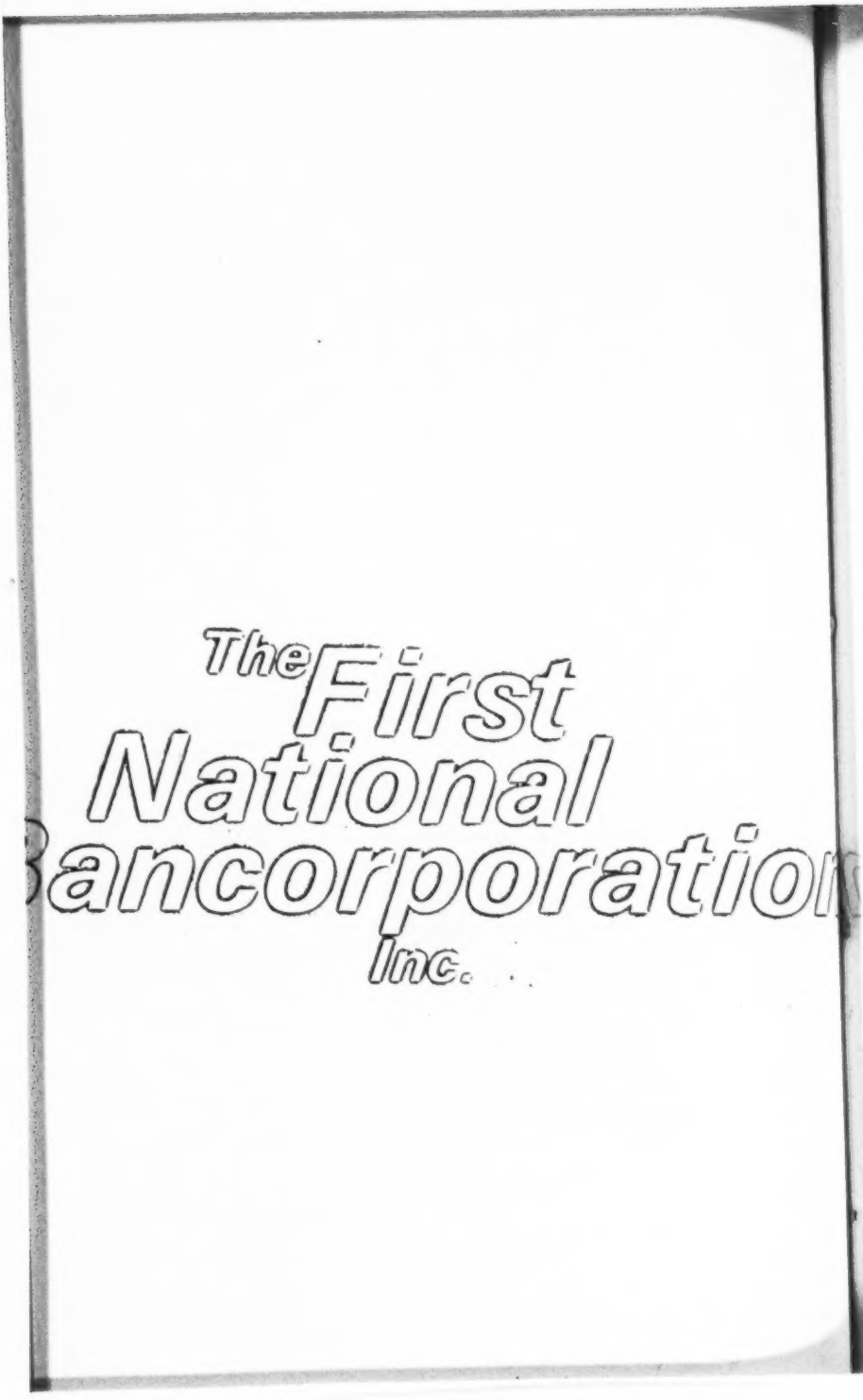
We are pleased that bank growth via the registered bank holding company route is becoming well accepted throughout Colorado as evidenced by the announcement of the proposed formation of three additional companies. Others, we know, are under consideration.

We sincerely appreciate the support of our shareholders and of the many officers and employees of the member banks. We earnestly solicit your continued support.

Sincerely,

Montgomery Dorsey
Chairman of the Board

Eugene H. Adams
President


The First
National
Bancorporation
Inc.

THE FIRST NATIONAL BANCORPORATION, INC.

CONSOLIDATED BALANCE SHEET
(UNAUDITED)

	DECEMBER 31	
RESOURCES	**1988**	**1987**
Cash and Due from Banks	$159,938,538	$144,963,993
U.S. Government Obligations (Note 2)	64,734,869	62,139,171
Obligations of States and Political Subdivisions (Note 2)	42,519,033	42,345,054
Obligations of Federal Agencies (Note 2)	6,000,000	2,000,000
Other Securities (Note 2)	950,823	948,500
Federal Funds Sold	1,400,000	2,150,000
Loans, Less Reserve for Loan Losses (Note 3)	345,678,607	298,709,319
Bank Premises and Equipment, Less Accumulated Depreciation (Note 5)	15,531,552	15,879,629
Customers' Acceptance Liability	261,237	90,983
Income Earned, Uncollected	4,834,631	4,421,814
Other Assets	4,665,015	1,372,066
Total	$646,514,305	$575,019,529
LIABILITIES		
Deposits:		
(a) Demand	$338,841,139	$300,800,830
(b) Time	230,100,382	222,328,522
Total	568,941,521	523,129,352
Federal Funds Purchased and Securities Sold Under Agreements to Repurchase	21,614,607	-0-
Funds Borrowed	185,000	-0-
Mortgages Payable (Note 6)	5,384,092	5,808,852
Acceptances Outstanding	261,237	90,983
Income Collected, Unearned	1,924,524	1,656,938
Other Liabilities	5,321,719	4,154,353
Total	603,632,700	534,840,478
Minority Interests in Subsidiary Banks	283,512	267,078
Stockholders' Equity	42,598,093	39,911,973
Total	$646,514,305	$575,019,529

See Notes to Consolidated Financial Statements

DIRECTORS

*MONTGOMERY DORSEY
Chairman of the Board, The First National Bank of Denver

*EUGENE H. ADAMS
President, The First National Bank of Denver

*BRUCE D. ALEXANDER
Senior Vice President, The First National Bank of Denver

LEE C. ASHLEY
Senior Vice President and Cashier, The First National Bank of Denver

G. B. AYDELOTT
President, The Denver and Rio Grande Western Railroad Company

RICHARD P. BROWN
Senior Vice President and Executive Trust Officer, The First National Bank of Denver

EDWARD B. CLOSE, JR.
Partner, Hughes & Dorsey, Attorneys

JOHN EVANS, JR.
President, Evans Investment Company

†FREDERICK M. FARRAR
Chairman of the Board, The First National Bank of Pueblo, Pueblo, Colorado

W. COLES HUDGINS
Executive Vice President, Mountain States Telephone and Telegraph Company

SAMUEL T. JONES
Insurance, Pueblo, Colorado

JOHN M. KING
Chairman of the Board, King Resources Company

WILLIAM H. KISTLER
President, W. H. Kistler Stationery Company

DAVIS W. MOORE
Investments

J. SIMS JORMAN, M.D.
Physician, Pueblo, Colorado

GERALD H. PHIPPS
President, Gerald H. Phipps, Inc.

*DONALD E. PROVOST
President, Stearns-Roger Corporation

BARRY MOREY SULLIVAN
President, Morey Realty Company

*RUSSELL T. TUTT
President, El Pomar Investment Company, Colorado Springs, Colorado

*WILLIAM M. WHITE, JR.
Chairman of the Board and President, Great Western United Corporation

ADVISORY DIRECTORS

JOSEPH B. BOYD
President, The First National Bank of Southglenn

RICHARD C. MECKLEY
President, The First National Bank of Bear Valley

WESLEY J. WATSON
Executive Vice President, The First National Bank of North Grand

OFFICERS

MONTGOMERY DORSEY
Chairman of the Board

EUGENE H. ADAMS
President

BRUCE D. ALEXANDER
Executive Vice President

RICHARD S. FITZGERALD
Vice President

LEE C. ASHLEY
Treasurer

EDWARD B. CLOSE, JR.
Secretary

*Member Executive Committee †Resigned January 13, 1989

CONSOLIDATED STATEMENT OF INCOME
(UNAUDITED)

	FOR THE YEARS ENDED DECEMBER 31	
OPERATING INCOME:	1968	1967
Interest and Fees on Loans	$ 21,877,146	$ 17,952,142
Interest and Dividends on:		
U.S. Government Obligations	2,996,846	2,501,824
Obligations of States and Political Subdivisions	1,518,674	1,327,869
Trust Department	5,104,779	4,147,618
Other	3,552,633	2,447,009
Total	$ 35,050,078	$ 28,376,461
OPERATING EXPENSES:		
Salaries and Bonuses	7,572,287	6,544,778
Pensions, Profit Sharing and Other Employee Benefits	869,467	1,112,435
Interest on Deposits	10,575,801	8,972,309
Interest on Borrowed Money	303,065	313,152
Net Occupancy – Bank Premises	914,816	825,483
Equipment Rentals, Depreciation, Maintenance	1,606,957	1,447,970
Other	4,178,473	2,023,553
Total	26,040,866	21,239,679
OPERATING INCOME BEFORE INCOME TAX	9,009,212	7,136,782
INCOME TAXES APPLICABLE TO OPERATING INCOME	4,186,468	2,881,246
NET OPERATING INCOME BEFORE MINORITY INTEREST	4,822,744	4,255,536
MINORITY INTEREST	33,033	24,780
NET OPERATING EARNINGS	4,789,711	4,230,756
NON-OPERATING ADDITIONS (DEDUCTIONS) NET OF RELATED INCOME TAXES OF: 1968, $438,319; 1967, $340,794:		
Provision for Loan Losses (Note 3)	$ (326,699)	$ (313,175)
Net Security Losses	(63,430)	(2,423)
Other-Net	16,103	(10,115)
Minority Interest in Non-Operating Items	7,120	3,067
Net Non-Operating Deductions	(386,906)	(322,646)
NET INCOME	$ 4,402,805	$ 3,908,110
PER SHARE OF COMMON STOCK:		
Net Operating Earnings	$3.22	$2.84
Net Income	$2.96	$2.63

See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENT OF STOCKHOLDERS EQUITY
(UNAUDITED)

	DECEMBER 31	
	1968	1967
BALANCE, January 1	$ 39,911,973	$ 37,420,993
ADDITIONS – Consolidated Net Income	4,402,805	3,908,110
DEDUCTION – Cash Dividends Declared	(1,716,685)	(1,417,130)
BALANCE, December 31	$ 42,598,093	$ 39,911,973

See Notes to Consolidated Financial Statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 1968 (UNAUDITED)

1. PRINCIPLES OF CONSOLIDATION

The acquisition of the stock of the four subsidiary banks effective October 18, 1968 has been accounted for on a pooling of interests basis. The accompanying consolidated financial statements have been prepared to reflect the merger retroactively and include the accounts of the Parent Corporation and all subsidiaries. All intercompany transactions have been eliminated.

2. SECURITIES

Investment securities are included in the balance sheet at cost, adjusted for acretion of discount and amortization of premium. The market values on December 31, 1968 were: U.S. Government Obligations, $64,195,020; Obligations of States and political subdivisions, $41,639,302; Obligations of Federal agencies, $5,908,750; Other securities, $950,823.

3. RESERVE FOR LOAN LOSSES

The provision for loan losses transferred to the reserve is based on the deduction allowable for Federal income tax return purposes and is not based on actual loan loss experience. Following is a summary of the transactions in the reserve for loan losses:

	Year ended December 31, 1968	1967
Reserve balance, January 1	$3,556,945	$2,983,745
Transfer to reserve	683,000	640,700
Total	4,239,945	3,624,445
Loans charged off, net of recoveries	519,621	67,500
Reserve balance, December 31	$3,720,324	$3,556,945

4. PENSIONS

The subsidiary banks have a noncontributory pension plan covering all regular full-time employees. The total pension expense for 1968 was $261,000 which included no amount for past service costs. No specific funding or accounting method for past service costs has been adopted, and the amount charged to expense may vary from year to year. At December 31 the unfunded value of vested benefits was approximately $3,000,000.

5. BANK PREMISES AND EQUIPMENT

	Asset	Accumulated Depreciation
Balances at December 31, 1968:		
Land	$ 486,120	
Buildings and leasehold improvements	21,311,360	$7,142,098
Furniture and equipment	2,351,456	1,475,286
Total	$24,148,936	$8,617,384

The Companies provide for depreciation of buildings and leasehold improvements on a straight line basis over estimated useful lives varying from seven to fifty years and for depreciation of furniture and equipment on straight-line and accelerated bases over estimated useful lives varying from three to forty years. Depreciation expense for 1968 totaled $904,789.

6. MORTGAGES PAYABLE

Certain properties are assigned as collateral to mortgages payable. The mortgages bear interest at rates ranging from 4¾% to 6% and are payable $175,000 each quarter, including principal and interest.

7. INCOME TAXES

Income taxes are provided based on financial accounting income adjusted for nontaxable items, such as interest on obligations of States and political subdivisions. The current year's provision has been reduced by investment credits of $20,391 currently allowable on the Federal income tax return. There are no unused investment credits available to offset income taxes of future years.

THE FIRST NATIONAL BANCORPORATION, INC.

BALANCE SHEET, DECEMBER 31, 1968
(PARENT COMPANY ONLY)

ASSETS		
CURRENT ASSETS – Cash		$ 44,773
INVESTMENT IN STOCK OF SUBSIDIARY BANKS – Representing the Company's interest in the underlying net assets:	Percent Owned	
The First National Bank of Denver	99.64%	41,230,114
The First National Bank of Bear Valley	89.44%	505,278
The First National Bank of North Glenn	92.91%	441,209
The First National Bank of Southglenn	98.60%	313,918
OTHER – Stock issuance and organization expense (less amortization of $2,292)		187,010
TOTAL		$42,785,243
LIABILITIES		
CURRENT LIABILITIES – Accrued interest and taxes		$ 2,150
NOTE PAYABLE – Due October 31, 1971, interest payable quarterly at prime rate		185,000
STOCKHOLDERS' EQUITY:		
Common stock, $10 par value; authorized, 3,500,000 shares; issued and outstanding, 1,488,585	$14,885,850	
Paid-in surplus	27,154,577	
Retained earnings	557,666	
Stockholders' equity		42,598,093
TOTAL		$42,785,243

STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE PERIOD FROM OCTOBER 18, 1968 TO DECEMBER 31, 1968
(PARENT COMPANY ONLY)

INCOME FROM SUBSIDIARY BANKS:		
Cash dividends		$ 546,404
Equity in undistributed earnings since acquisition		530,233
Management and service fees		24,000
TOTAL		1,100,637
EXPENSES:		
Services purchased from The First National Bank of Denver	$6,891	
Directors' fees	2,500	
Association dues	2,341	
Amortization	2,292	
Interest	1,320	
Other	5,792	
TOTAL		$ 21,136
INCOME BEFORE INCOME TAXES		1,079,501
PROVISION FOR INCOME TAXES		830
NET INCOME		1,078,671
CASH DIVIDENDS PAID		521,005
RETAINED EARNINGS, DECEMBER 31, 1968		$ 557,666

NOTE: The Company began operations October 18, 1968 upon exchange of its stock for stock of the subsidiary banks.

ACCOUNTANTS' OPINION

HASKINS & SELLS
CERTIFIED PUBLIC ACCOUNTANTS

610 SEVENTEENTH STREET
DENVER 80202

OPINION OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors and Shareholders
of The First National Bancorporation, Inc.:

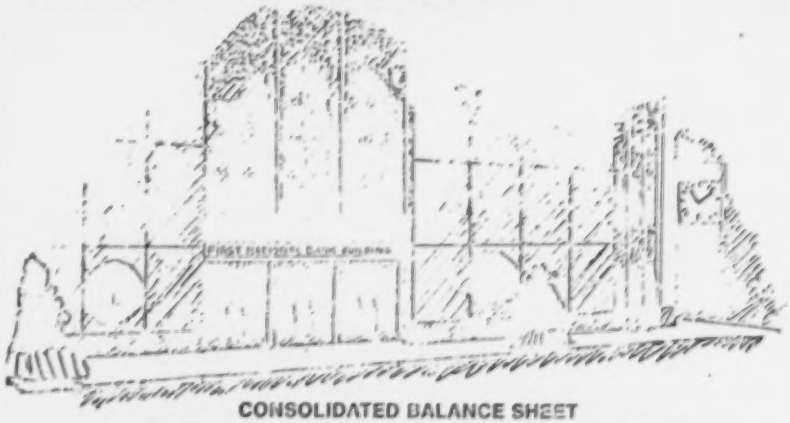
We have examined the balance sheet of The First National Bancorporation, Inc. (Parent Company only - a Colorado Corporation) as of December 31, 1968, and the related statement of income and retained earnings for the period from October 18, 1968 (date commenced operations) to December 31, 1968. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances, except that we have not examined the financial statements of the subsidiary banks.

Inasmuch as we have not examined the financial statements of the subsidiary banks, and the Company's investment in these banks constitutes the major part of its assets and the source of the major part of its income, we are unable to express an opinion on the accompanying Parent Company only financial statements taken as a whole (nor does our opinion, expressed below, extend to amounts included in the financial statement captions entitled "Investment in stock of subsidiary banks" and "Equity in undistributed earnings since acquisition" or the effect of transactions therein on net income and retained earnings). However, in our opinion, the accompanying Parent Company only balance sheet presents fairly in all material respects the other assets and liabilities of the Company as of December 31, 1968, and the accompanying statement of income and retained earnings presents fairly in all material respects the other income and expenses of the Company for the period from October 18, 1968 to December 31, 1968, in conformity with generally accepted accounting principles consistently applied.

Haskins & Sells

Denver, Colorado,
February 10, 1969

THE FIRST NATIONAL BANK OF DENVER



CONSOLIDATED BALANCE SHEET
FOR THE YEARS ENDED DECEMBER 31, 1968 AND 1967

	DECEMBER 31	
RESOURCES	**1968**	**1967**
Cash and Due from Banks	$157,769,234	$143,454,618
U.S. Government Obligations	61,037,105	58,567,308
Obligations of States and Political Subdivisions	41,417,073	42,084,102
Obligations of Federal Agencies	6,000,000	2,000,000
Other Securities	921,573	920,000
Federal Funds Sold	1,400,000	2,150,000
*Loans	332,703,778	289,284,822
Bank Premises and Equipment	15,059,918	15,456,957
Customers' Acceptance Liability	261,237	99,993
Income Earned, Uncollected	4,703,435	4,341,163
Other Assets	4,466,160	1,355,697
Total Resources	$625,750,513	$559,705,640
*After Deduction of Loan Reserve	$ 3,502,294	$ 3,463,599
LIABILITIES		
Deposits:		
(a) Demand	$330,634,493	$295,288,415
(b) Time	219,614,342	214,107,292
Total	550,248,835	509,395,707
Federal Funds Purchased and Securities Sold Under Agreement to Repurchase	21,614,607	-0-
Mortgages Payable	5,384,092	5,809,452
Acceptances Outstanding	261,237	99,993
Income Collected, Unearned	1,814,838	1,517,325
Other Liabilities	5,187,616	4,053,714
Total Liabilities	$584,311,215	$520,836,561
CAPITAL ACCOUNTS		
Equity Capital:		
Common Stock: 500,000 Shares Authorized and Outstanding, Total Par Value	$ 10,000,000	$ 10,000,000
Surplus	20,000,000	20,000,000
Undivided Profits	11,439,298	8,868,079
Total Capital Accounts	$ 41,439,298	$ [illegible]
Total Liabilities and Capital	$625,750,513	$ [illegible]

THE FIRST NATIONAL BANK OF DENVER

CONSOLIDATED STATEMENT OF EARNINGS
FOR THE YEARS ENDED DECEMBER 31, 1968 AND 1967

	DECEMBER 31	
	1968	1967
OPERATING INCOME:		
Interest and Fees on Loans	$ 20,912,503	$ 17,204,522
Interest and Dividends on:		
U.S. Government Obligations	2,842,052	2,465,723
Obligations of States and Political Subdivisions	1,491,168	1,325,226
Service Charges on Deposit Accounts	857,445	829,146
Trust Department	5,104,779	4,147,618
Other	2,454,636	1,423,418
Total	33,662,583	27,395,653
OPERATING EXPENSES:		
Salaries and Bonuses	7,188,115	6,262,810
Pensions, Profit Sharing, and Other Employee Benefits	852,713	1,085,050
Interest on Deposits	10,122,960	8,662,381
Interest on Borrowed Money	301,709	313,152
Net Occupancy – Bank Premises	841,861	760,507
Equipment Rentals, Depreciation, Maintenance	1,568,645	1,418,419
Other	4,013,543	1,900,292
Total	24,889,546	20,402,621
OPERATING EARNINGS BEFORE INCOME TAX	8,773,037	6,993,032
INCOME TAXES APPLICABLE TO OPERATING EARNINGS	4,127,050	2,840,458
NET OPERATING EARNINGS	4,645,987	4,152,574
Per Share (500,000 Shares)	$9.29	$8.31
NON-OPERATING ADDITIONS – NET AFTER TAX EFFECT:		
(All sundry other items)	38,825	12,940
NON-OPERATING DEDUCTIONS – NET AFTER TAX EFFECT:		
Net Security Losses	83,430	2,423
Transfer to Reserve for Loan Losses	265,208	293,280
Other	19,975	22,987
Total Non-operating Deductions	369,613	318,690
NET NON-OPERATING ADDITIONS (DEDUCTIONS)	(330,788)	(305,750)
TRANSFERRED TO UNDIVIDED PROFITS	$ 4,315,199	$ 3,846,824
PER SHARE (500,000 Shares)	$8.63	$7.69

THE FIRST NATIONAL BANK OF DENVER

CONSOLIDATED RECONCILEMENT OF CAPITAL ACCOUNTS FOR THE YEARS ENDED DECEMBER 31, 1968 AND 1967

	1968	1967
BALANCE, BEGINNING OF YEAR	$ 38,839,099	$ 36,392,275
Additions – Transferred from Statement of Earnings	4,315,199	3,846,824
Deductions – Cash Dividends Declared (per Share*: 1968, $3.43; 1967, $2.80)	(1,715,000)	(1,400,000)
BALANCE, END OF YEAR	$ 41,439,298	$ 38,839,099

*500,000 Shares Outstanding

DIRECTORS

*EUGENE H. ADAMS
President

*G. B. AYDELOTT
President, The Denver and Rio Grande Western Railroad Company

SIDNEY L. BROCK, JR.
Retired Senior Vice President

*RICHARD P. BROWN
Senior Vice President and Executive Trust Officer

THEODORE D. BROWN
President of Security State Bank Sterling, Colorado

ROBERT L. CAMPBELL
Vice President, Safeway Stores, Inc.

CLARENCE J. DALY
President, Daly Companies

*MONTGOMERY DORSEY
Chairman of the Board

JOHN EVANS, JR.
President, Evans Investment Company

JOHN A. FERGUSON, JR.
President, Ferguson Realty Corporation

*W. COLES HUGGINS
Executive Vice President, Mountain States Telephone and Telegraph Company

FRANK A. KEMP
Retired Chairman of the Board, The Great Western Sugar Company

*JOHN M. KING
Chairman, King Resources Company

WILLIAM H. KISTLER
President, W. H. Kistler Stationery Company

DAVIS W. MOORE
Investments

HUDSON MOORE, JR.
President, Walter S. Cheesman Realty Company

AKSEL NIELSEN
Chairman of the Board, Fidelity Mortgage Investors Company

J. SIMS NORMAN, M.D.
Physician, Pueblo, Colorado

GERALD H. PHIPPS
President, Gerald H. Phipps, Inc.

WALTER J. PREDOVICH
Predovich and Ward, Attorneys

DONALD E. PROVOST
President, Stearns-Roger Corporation

HAROLD F. SILVER
President, Silver Corporation

BARRY MOREY SULLIVAN
President, Morey Realty Company

RUSSELL T. TUTT
President, El Paso Investment Company, Colorado Springs, Colorado

MAHLON T. WHITE
Southern Colorado Publisher

HONORARY DIRECTORS

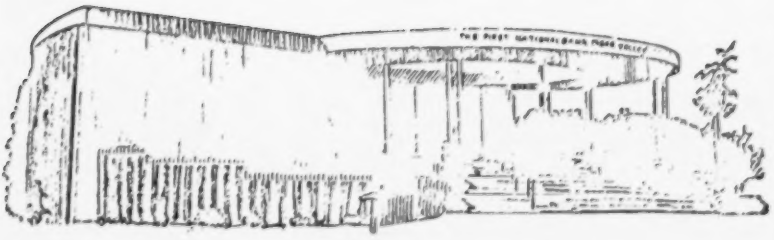
JOHN EVANS, SR.
Retired Honorary Chairman

W. C. KURTZ
President, Kurtz Investment Company

JAMES A. WOODS
Partner, Woods, Attorneys

*Member Executive Committee

THE FIRST NATIONAL BANK OF BEAR VALLEY



CONSOLIDATED BALANCE SHEET

	DECEMBER 31 1968	1967
RESOURCES		
Cash and Due from Banks	$ 828,731	$ 638,625
U.S. Government Obligations	1,269,658	1,208,621
Obligations of States and Political Subdivisions	656,281	210,919
Federal Reserve Bank Stock	12,450	12,000
*Loans	5,739,660	4,102,607
Bank Premises and Equipment	297,144	295,815
Income Earned, Uncollected	53,595	37,168
Other Assets	4,237	879
Total Resources	$ 8,861,756	$ 6,506,634
*After Deduction of Loan Reserve	$ 88,103	$ 49,790
LIABILITIES		
Deposits:		
(a) Demand	$ 3,480,495	$ 2,434,680
(b) Time	4,431,721	3,257,160
Total	$ 7,912,216	$ 5,691,840
Mortgages Payable	175,000	175,000
Income Collected, Unearned	155,575	55,021
Other Liabilities	54,030	40,515
Total Liabilities	$ 8,295,821	$ 5,962,376
CAPITAL ACCOUNTS		
Equity Capital:		
Common stock: 275,000 Shares Authorized and Outstanding, Total Par Value	275,000	275,000
Surplus	140,000	130,000
Undivided Profits	149,935	131,458
Total Capital Accounts	$ 564,935	$ 544,458
Total Liabilities and Capital	$ 8,861,756	$ 6,506,834

THE FIRST NATIONAL BANK OF BEAR VALLEY

CONSOLIDATED STATEMENT OF EARNINGS
FOR THE YEARS ENDED DECEMBER 31, 1968 AND 1967

	1968	1967
OPERATING INCOME:		
Interest and Fees on Loans	$ 398,206	$ 302,686
Interest and Dividends on:		
U.S. Government Obligations	60,813	12,749
Obligations of States and Political Subdivisions	16,643	1,653
Other	118,138	89,252
Total	$ 593,800	$ 406,340
OPERATING EXPENSES:		
Salaries and Bonuses	150,891	104,122
Pensions, Profit Sharing, and Other Employee Benefits	15,584	12,119
Interest on Deposits	178,509	118,485
Interest on Borrowed Money	8,786	8,750
Net Occupancy – Bank Premises	26,092	24,777
Equipment Rentals, Depreciation, Maintenance	15,705	11,283
Other	107,243	68,312
Total	$ 502,810	$ 347,848
OPERATING EARNINGS BEFORE INCOME TAX	90,990	58,492
INCOME TAXES APPLICABLE TO OPERATING EARNINGS	19,018	20,953
NET OPERATING EARNINGS	71,972	37,539
Per Share (275,000 Shares)	$.262	$.137
NON-OPERATING ADDITIONS – NET AFTER TAX EFFECT		
(All sundry other items)	42	
NON-OPERATING DEDUCTIONS – NET AFTER TAX EFFECT:		
Transfer to Reserve for Loan Losses	30,200	12,220
Other	712	143
Total Non-operating Deductions	$ 30,912	$ 12,363
NET NON-OPERATING ADDITIONS (DEDUCTIONS)	(30,870)	(12,363)
TRANSFERRED TO UNDIVIDED PROFITS	$ 41,102	$ 25,176
PER SHARE (275,000 Shares)	$.149	$.092

CONSOLIDATED RECONCILEMENT OF CAPITAL ACCOUNTS
FOR THE YEARS ENDED DECEMBER 31, 1968 AND 1967

	1968	1967
BALANCE, BEGINNING OF YEAR	$ 544,458	$ 533,032
Additions – Transferred from Statement of Earnings	41,102	25,176
Deductions – Cash Dividends Declared (per Share*):		
1968, $.075; 1967, $.05)	(20,625)	(13,750)
BALANCE, END OF YEAR	$ 564,935	$ 544,458

*275,000 Shares Outstanding

DIRECTORS

*EUGENE H. ADAMS
Chairman of the Board

BRUCE D. ALEXANDER
Senior Vice President, The First National Bank of Denver

ILLE C. ASHLEY
Senior Vice President and Cashier, The First National Bank of Denver

CLAIR A. BACON
Senior Vice President, The First National Bank of Denver

ROBERT D. BINDER
Vice President

ROBERT G. BOULDER
Vice President, The First National Bank of Denver

EDWARD B. CLOSE, JR.
Partner, Hughes & Dorsey, Attorneys

RICHARD C. MECKLEY
President

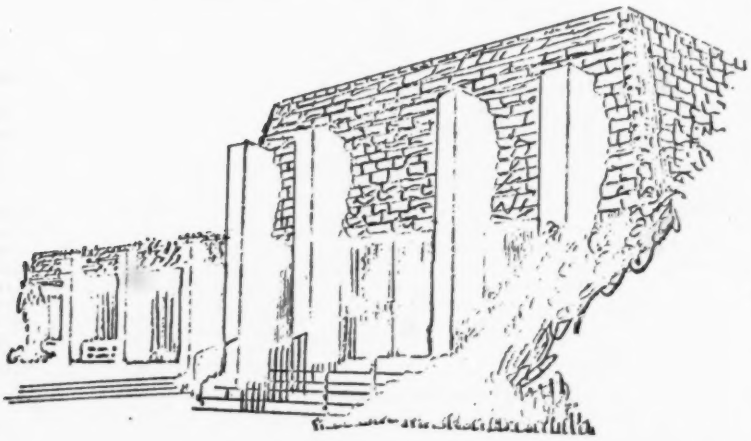
G. M. MULLIN
Secretary-Treasurer, Hutchinson Homes, Inc.

JACK M. MUSE
Assistant Vice President, The First National Bank of Denver

THOMAS P. O'ROURKE
Vice President, The First National Bank of Denver

*Resigned February 21, 1969 †Elected Chairman of the Board

THE FIRST NATIONAL BANK OF NORTH GLENN



BALANCE SHEET

	DECEMBER 31 1968	1967
RESOURCES		
Cash and Due from Banks	$ 800,523	$ 567,325
U.S. Government Obligations	1,223,124	1,335,227
Obligations of States and Political Subdivisions	445,679	50,033
Federal Reserve Bank Stock	10,050	9,750
*Loans	4,937,011	3,648,233
Bank Premises and Equipment	155,999	109,113
Income Earned, Uncollected	49,046	27,563
Other Assets	4,691	2,731
Total Resources	$ 7,626,123	$ 5,749,975
*After Deduction of Loan Reserve	$ 54,199	$ 30,379
LIABILITIES		
Deposits:		
(a) Demand	$ 3,091,416	$ 1,973,382
(b) Time	3,878,074	3,220,617
Total	6,969,490	5,193,999
Income Collected, Unearned	120,370	61,327
Other Liabilities	52,783	41,298
Total Liabilities	$ 7,142,643	$ 5,296,624
CAPITAL ACCOUNTS		
Equity Capital		
Common Stock: 212,500 Shares Authorized and Outstanding, Total Par Value	$ 212,500	$ 212,500
Surplus	122,500	117,500
Undivided Profits	148,480	123,351
Total Capital Accounts	$ 483,480	$ 453,351
Total Liabilities and Capital	$ 7,626,123	$ 5,749,975

THE FIRST NATIONAL BANK OF NORTH GLENN

STATEMENT OF EARNINGS
FOR THE YEARS ENDED DECEMBER 31, 1968 AND 1967

	1968	1967
OPERATING INCOME:		
Interest and Fees on Loans	$ 357,100	$ 299,000
Interest and Dividends on:		
U.S. Government Obligations	75,983	12,921
Obligations of States and Political Subdivisions	10,863	585
Other	150,299	123,515
Total	$ 594,245	$ 436,021
OPERATING EXPENSES:		
Salaries and Bonuses	156,125	126,768
Pensions, Profit Sharing, and Other Employee Benefits	13,866	12,294
Interest on Deposits	184,086	125,636
Net Occupancy – Bank Premises	32,692	26,966
Equipment Rentals, Depreciation, Maintenance	13,309	11,329
Other	99,963	82,078
Total	$ 500,041	$ 385,071
OPERATING EARNINGS BEFORE INCOME TAX	94,204	50,950
INCOME TAXES APPLICABLE TO OPERATING EARNINGS	24,455	19,368
NET OPERATING EARNINGS	69,749	31,582
Per Share (212,500 Shares)	$.328	$.148
NON-OPERATING ADDITIONS – NET AFTER TAX EFFECT (all sundry other items)	162	
NON-OPERATING DEDUCTIONS – NET AFTER TAX EFFECT:		
Transfer to Reserve for Loan Losses	21,375	4,742
Other	2,469	
Total Non-operating Deductions	$ 23,844	$ (4,742)
NET NON-OPERATING ADDITIONS (DEDUCTIONS)	(23,682)	(4,742)
EARNINGS BEFORE EXTRAORDINARY ITEM	46,067	26,840
EXTRAORDINARY ITEM		
Income Tax Credit Resulting from Operating Loss Carryovers		5,335
TRANSFERRED TO UNDIVIDED PROFITS	$ 46,067	$ 32,175
PER SHARE (212,500 Shares)	$.217	$.151

RECONCILEMENT OF CAPITAL ACCOUNTS
FOR THE YEARS ENDED DECEMBER 31, 1968 AND 1967

	1968	1967
BALANCE, BEGINNING OF YEAR	$ 453,351	$ 431,801
Additions – Transferred from Statement of Earnings	46,067	32,175
Deductions – Cash Dividends Declared (Per Share*: 1968, $.075; 1967, $.05)	(15,938)	(10,625)
BALANCE, END OF YEAR	$ 483,480	$ 453,351

*212,500 Shares Outstanding

DIRECTORS

*EUGENE H. ADAMS
Chairman of the Board

BRUCE D. ALEXANDER
Senior Vice President, The First National Bank of Denver

RAYMOND B. DANKS
Partner, Hughes & Dorsey, Attorneys

DONALD FERGUSON
Secretary, Strawn Realty Corporation

GLENN R. HAEFLIGER
Vice President

CLARENCE LILLER, JR.
Senior Vice President, The First National Bank of Denver

JORDON PERLMUTTER
Vice President, Perl-Mack Homes, Inc.

ROGER W. SMITH, JR.
President, Security Title of Adams County

HAROLD C. STILLMAN, JR.
President, Western Paving Construction Company

†CARROL L. STUBBS
Senior Vice President, The First National Bank of Denver

WESLEY J. WATSON
Executive Vice President

*Resigned February 19, 1969 †Elected Chairman of the Board, February 19, 1969

THE FIRST NATIONAL BANK OF SOUTHGLENN

BALANCE SHEET

	DECEMBER 31	
RESOURCES	**1968**	**1967**
Cash and Due from Banks	$ 541,050	$ 303,...
U.S. Government Obligations	1,204,982	1,027,985
Federal Reserve Bank Stock	6,750	6,750
*Loans	2,468,158	1,847,657
Bank Premises and Equipment	18,491	17,744
Income Earned, Uncollected	23,555	15,920
Other Assets	5,917	609
Total Resources	$ 4,268,903	$ 3,219,850
*After Deduction of Loan Reserve	$ 25,728	$ 13,077
LIABILITIES		
Deposits:		
(a) Demand	$ 1,679,468	$ 1,104,353
(b) Time	2,176,245	1,743,453
Total	3,855,713	2,847,806
Income Collected, Unearned	33,741	23,265
Other Liabilities	25,140	18,826
Total Liabilities	$ 3,914,594	$ 2,889,897
CAPITAL ACCOUNTS		
Equity Capital		
Common Stock: 250,000 Shares Authorized and Outstanding, Total Par Value	125,000	125,000
Surplus	100,000	100,000
Undivided Profits	129,309	104,993
Total Capital Accounts	$ 354,309	$ 329,993
Total Liabilities and Capital	$ 4,268,903	$ 3,219,890

THE FIRST NATIONAL BANK OF SOUTHGLENN

STATEMENT OF EARNINGS
FOR THE YEARS ENDED DECEMBER 31, 1968 and 1967

	1968	1967
OPERATING INCOME:		
Interest and Fees on Loans	$ 218,087	$ 153,990
Interest and Dividends on:		
U.S. Government Obligations	17,998	10,836
Other	64,903	50,330
Total	300,988	215,156
OPERATING EXPENSES:		
Salaries and Bonuses	77,156	51,078
Pensions, Profit Sharing, and Other Employee Benefits	7,304	2,962
Interest on Deposits	90,246	65,836
Net Occupancy – Bank Premises	14,171	13,233
Equipment Rentals, Depreciation, Maintenance	9,298	6,039
Other	54,696	40,830
Total	$ 252,871	$ 180,848
OPERATING EARNINGS BEFORE INCOME TAX	48,117	34,308
INCOME TAXES APPLICABLE TO OPERATING EARNINGS	15,115	8,430
NET OPERATING EARNINGS	33,002	25,878
Per Share (250,000 Shares)	$.132	$.104
NON-OPERATING ADDITIONS – NET AFTER TAX EFFECT (All sundry other items)	519	84
NON-OPERATING DEDUCTIONS – NET AFTER TAX EFFECT:		
Transfer to Reserve for Loan Losses	8,916	2,933
Other	289	10
Total Non-operating Deductions	9,205	2,943
NET NON-OPERATING ADDITIONS (DEDUCTIONS)	(8,686)	(2,859)
EARNINGS BEFORE EXTRAORDINARY ITEM	24,316	23,019
EXTRAORDINARY ITEM Income Tax Credit Resulting from Operating Loss Carryovers		2,628
TRANSFERRED TO UNDIVIDED PROFITS	$ 24,316	$ 25,647
PER SHARE (250,000 Shares)	$.097	$.103

RECONCILEMENT OF CAPITAL ACCOUNTS
FOR THE YEARS ENDED DECEMBER 31, 1968 and 1967

	1968	1967
BALANCE, BEGINNING OF YEAR	$ 329,993	$ 304,346
Additions – Transferred from Statement of Earnings	24,316	25,647
BALANCE, END OF YEAR	$ 354,309	$ 329,993

DIRECTORS

EUGENE H. ADAMS
Chairman of the Board

LEL C. ASHLEY
Senior Vice President and Cashier, The First National Bank of Denver

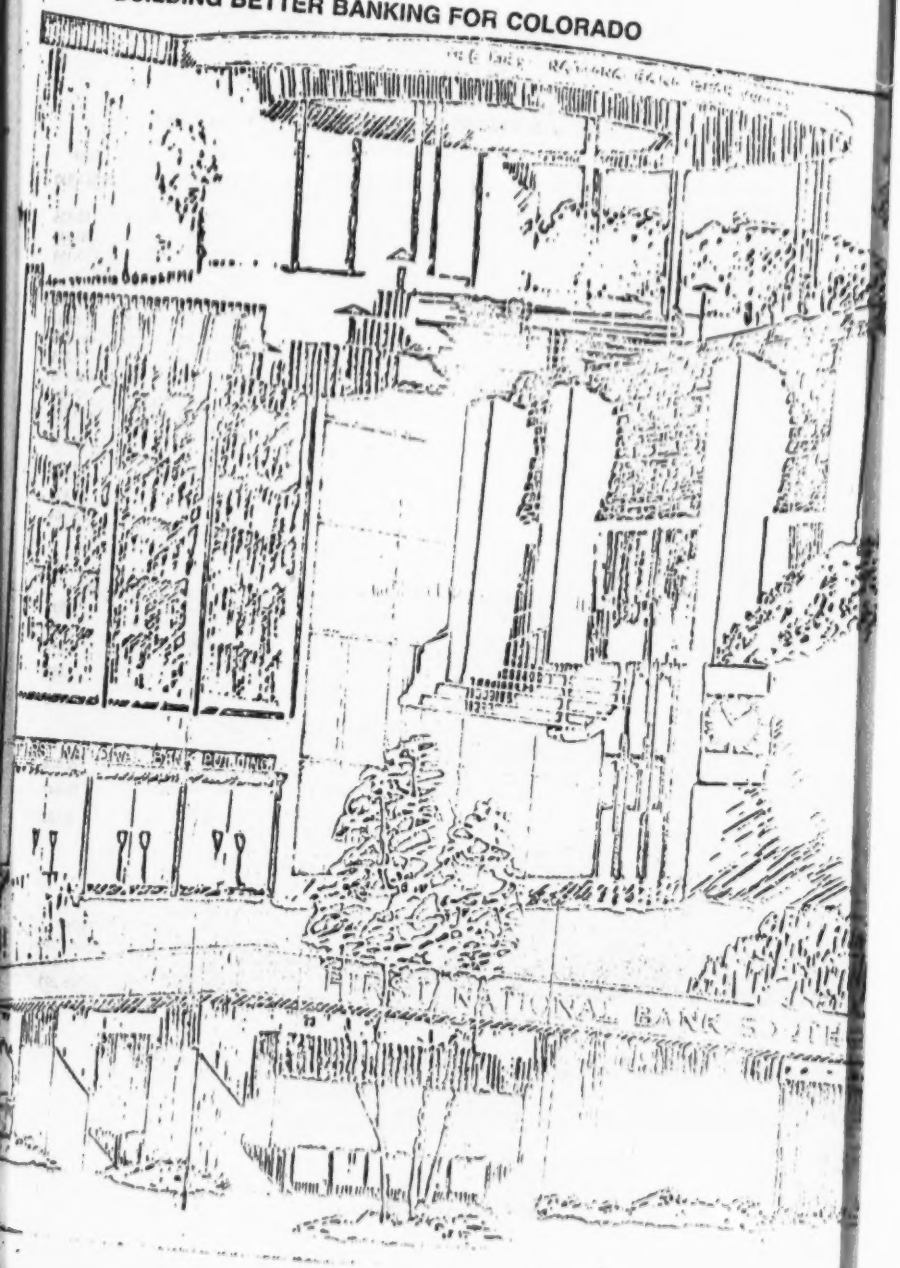
FRANK P. GARDINER
Senior Vice President, The First National Bank of Denver

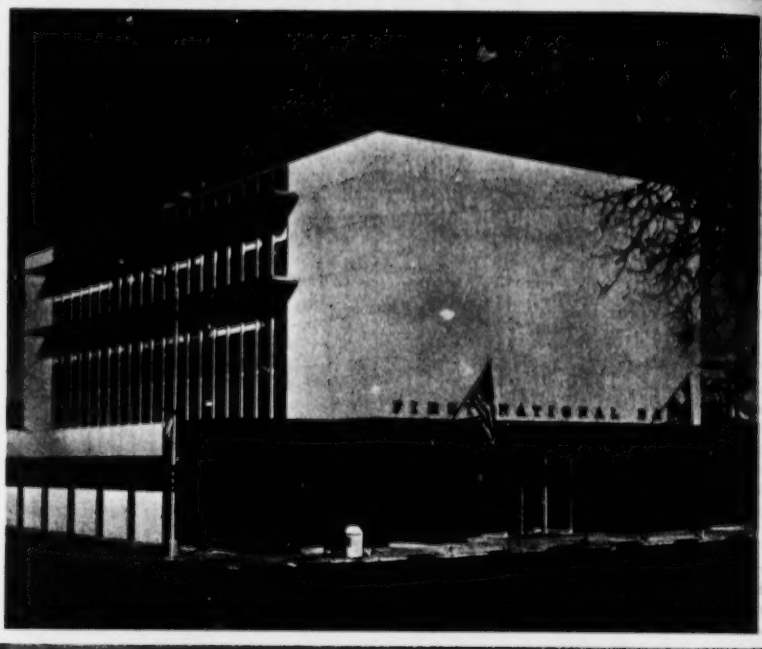
GEORGE C. GIBSON
Partner, Hughes & Dorsey, Attorneys

ROBERT M. O'DONNELL
Partner, Harman, O'Donnell & Hennagen Associates, Inc.

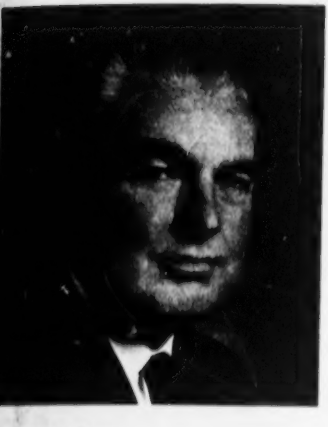
CARROL L. STUBBS
Senior Vice President, The First National Bank of Denver

J. RODNEY UHRICH
Vice President, The First National Bank of Denver





PRESIDENT'S LETTER TO THE SHAREHOLDERS



)ur Shareholders:

t is my pleasure to report to you that your has had another extremely successful year. ou will note later on in this report, detailed es are presented for your review pertaining 68 as well as important data pertaining to years. Significantly, however, I would like ecifically report that net operating earnings all taxes and expenses were $3.29 per share on 150,000 shares outstanding. This com- very favorably with prior years.

or many years, this bank's accounting has done on a strictly cash basis; however, we ow in the process of converting our major e and expense items to an accrual basis as ms of providing more meaningful compari- between accounting periods, with the goal of eting the conversion during 1969. As a part is, the Reconcilement of Capital Accounts elsewhere in this report shows that interest d on Commercial Loans at close of business mber 31, 1967, but computed after the end year and amounting to $233,712.00, was to Undivided Profits in 1968.

r the year 1968, our bank paid to its share- s a total of $186,000.00 in cash dividends, rst dividend of $.30 being paid on 120,000 , second and third dividends of $.30 each being paid on 150,000 shares and a $.40 dividend paid on the 15th of December on 150,000 shares.

Effective the first of April 1968, you received a 25 per cent stock dividend which increased the capital of your bank from $1,200,000.00 to $1,500,000.00. This is consistent with your bank's desire to be evermindful of the need for periodic increases in our capital structure to enable us to properly service the increasing demands of our fine borrowing accounts.

The staff of your bank continues to grow, and as President I am extremely proud of the fine efforts put forth by all of our staff members during the past year. Actually, in any organization of our size, there are changes. And though we regret having some of our older staff members leave us, we recognize that circumstances frequently dictate these changes. In this regard, I wish to report that Charles G. Carlson resigned as Vice President of the bank effective October 1, 1968. Chuck now represents the B. J. Lind & Company out of Chicago, dealing in the commodities market with his office located in the Producers' Livestock Sale Building. Mrs. LoRee Riggs, who had been with the bank for fourteen years, Mrs. Dorothy Blehm, who had been with the bank for twelve years, and Mrs. Leona Plowman, who had been with the bank for eleven years, all resigned during 1968 to spend more time at home. We are sorry to lose the people mentioned as well as other staff members with shorter tenure, but know that we have obtained excellent replacements who will serve you equally well.

I would like to announce that Mr. James B. Gronstal, formerly Executive Vice President of The First National Bank of Fort Morgan, joined our staff in October of 1968 as a Commercial Loan Officer. We feel very fortunate to have someone with Jim's lifetime background in the banking business now associated with our bank and available to serve you and our many customers.

As many of you may have observed and as is more fully explained later on in this report, your bank has embarked upon a major remodeling, redecorating and renovation program. We are looking forward to the end results when this period of inconvenience is ended and know that you will

be proud of the changes that are being made in our banking quarters.

1968 was certainly an interesting year in the banking industry. Money market fluctuations were extreme. Money costs reached all time high levels, necessitating many changes in interest rates to borrowing accounts, as well as many changes in the bank's investment account in government and municipal bonds.

Predictions for 1969, at this point, appear to be unsettled with the very real possibility that these rates may increase beyond present levels. We recognize that this certainly puts a squeeze on local businessmen, local feeders, and local farmers. As their costs rise, the ability to realize a reasonable profit in their operations decreases. This same situation is true in the banking industry. With inflationary trends as they were in 1968 of approximately 4.2% for the year and at an annual level in excess of that during the last three months of 1968, operating costs increased proportionately. As each of you is well aware, all of the operating costs within the banking business are rising as rapidly as in most other businesses. This requires a reassessment of reasonable charges for our services, as well as proper lending rates in order to provide the additional revenue necessary to cover these increased costs.

The bank's staff is well aware of these problems and will do everything possible to offer the best service and advice to assist our customers in making sound financial decisions.

As everyone in the community knows, the relocation of a major Eastman Kodak facility south of Windsor, should have tremendous impact upon the economy of northern Colorado. We are eagerly awaiting the development of this facility and hope to be of service to all of those associated with this fine company.

Speaking on behalf of your Board of Directors and your bank's staff, I wish to thank you for the help you have given us during the past year.

We are looking forward to 1969, and again solicit your suggestions on ways we can improve our services. We further hope that you will recommend The First National Bank to your friends, business associates, and new citizens and businesses locating in our area. Our desire is to provide safe, competent, full-service banking to Greeley and northern Colorado.

Our sincerest wishes for a very successful 196

Sincerely,

Robert M. Gilbert

ROBERT M. GILBERT
President

Bank FIRST *... Right Now!*

BALANCE SHEET

December 31

	[illegible]	1967
RESOURCES		
Cash and due from banks	$ [illegible]	$ 6,229,004
United States Government obligations	[illegible]	4,068,309
Obligations of States and political subdivisions	[illegible]	6,659,838
Other securities	[illegible]	75,000
Loans, less reserve for loan losses	[illegible]	23,016,412
Bank premises and equipment	[illegible]	913,843
Other Assets	[illegible]	123,614
Total Resources	$ [illegible]	$ 41,086,020
LIABILITIES		
Demand deposits	$ [illegible]	$ 15,101,800
Time deposits	[illegible]	20,681,356
Total deposits	[illegible]	35,783,156
Federal Funds purchased	[illegible]	1,000,000
Other Liabilities	[illegible]	409,394
Total Liabilities	$ [illegible]	$ 37,192,550
CAPITAL ACCOUNTS		
Capital Stock — common — total par value (150,000 shares authorized and outstanding at end of 1968)	$ [illegible]	$ 1,200,000
Surplus	[illegible]	1,500,000
Undivided Profits	[illegible]	1,193,470
Total Capital Accounts	$ [illegible]	$ 3,893,470
TOTAL LIABILITIES AND CAPITAL	$ [illegible]	$ 41,086,020

Use Your BankAmericard

STATEMENT OF EARNINGS

	1967
OPERATING INCOME	
Interest and fees on loans	$ 1,601,746
Interest and dividends on	
U.S. Government Obligations	161,178
Obligations of States and political subdivisions	171,620
Other securities	4,500
Service charges on deposit accounts	111,547
Trust Department	64,572
Other operating income	77,261
Total operating income	$ 2,192,434
OPERATING EXPENSES	
Salaries and bonuses	$ 407,782
Pensions, profit sharing, and other employee benefits	79,366
Interest on deposits	856,704
Interest on borrowed money	1,775
Net occupancy — bank premises	57,352
Equipment rentals, depreciation, maintenance	28,823
Other operating expense	209,297
Total operating expense	$ 1,641,106
OPERATING EARNINGS BEFORE INCOME TAXES	$ 551,328
INCOME TAXES APPLICABLE TO OPERATING EARNINGS	$ 181,346
NET OPERATING EARNINGS	$ 369,982
Per share	$5.08
NON-OPERATING ADDITIONS, NET AFTER TAX EFFECT	
Net security profits	$ 64,662
Loan recoveries not credited to reserve	452
Other	20,016
	$ 85,130
NON-OPERATING DEDUCTIONS, NET AFTER TAX EFFECT	
Transfer to reserve for Loan Losses	$ 42,686
Other	1,529
	$ 44,215
NET NON-OPERATING ADDITIONS (DEDUCTIONS)	$ 40,915
TRANSFERRED TO UNDIVIDED PROFITS	$ 410,897

Complete Trust Service

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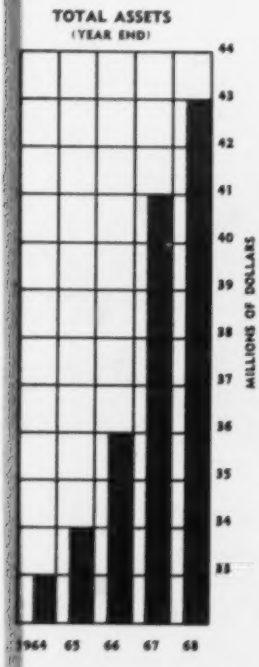
RECONCILEMENT OF CAPITAL ACCOUNTS

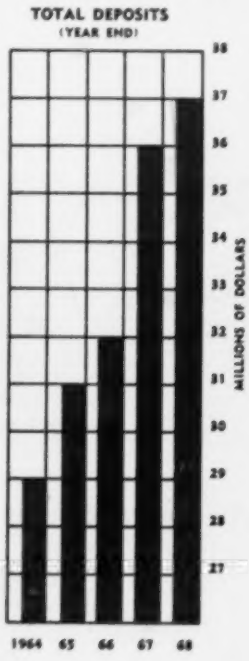
	1967
Balance, beginning of the year	$ 3,662,573
Additions:	
Transferred from Statement of Earnings	410,897
Commercial Loan interest accrued 12-31-67 calculated after close of the year and transferred to Undivided Profits in 1968	
Deductions:	
Cash Dividends declared:	
1967: $1.50 per share on 120,000 shares	180,000
1968: $0.30 per share on 120,000 shares $1.00 per share on 150,000 shares	
Balance, end of the year	$ 3,893,470

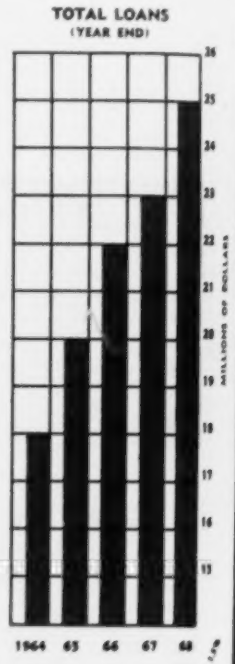
RECONCILEMENT OF VALUATION RESERVES

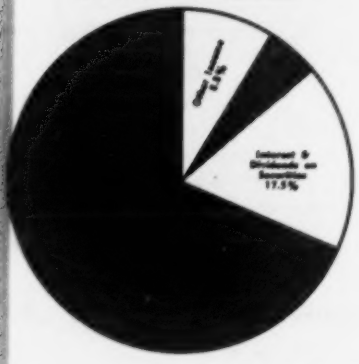
	Reserve for Loan Losses pursuant to IRS rulings
	1967
Balance, beginning of the year	$ 402,102
Recoveries credited to this reserve	5,531
Transfers to this reserve	92,794
Total	500,427
Less losses charged to this reserve	47,813
Balance, end of the year	$ 452,614

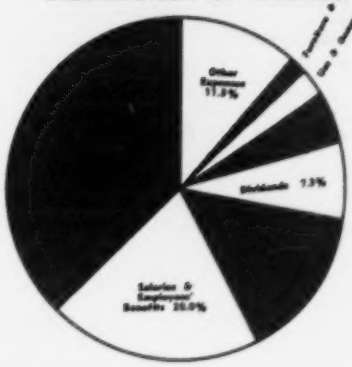
Low Cost Checking Accounts











Savings Accounts

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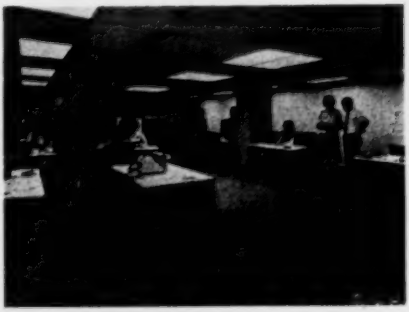
COMPARATIVE PICTURES OF PARKING LOT

The two pictures shown above reflect the development in the bank's parking facilities that has taken place since the last Annual Report. The picture on the left shows the parking lot to the west of the banking quarters as it appeared in the 1967 Annual Report, while the picture on the right shows the parking lot as it currently appears. The new area on the right of the right hand picture is the area provided to Joslin's. The balance of the parking areas are used by your bank for customer parking and for lease to building tenants, Mountain States Telephone and Telegraph Company and others who desire this parking. The parking lot is still not finally completed in view of the fact that we are installing a new combination walkup-driveup structure which will give us a fourth driveup window as well as a walkup facility on the west end of the banking quarters to take care of those customers who desire to park and use this facility rather than a driveup window.

Your bank now owns the entire south half of the block. This land area should permit, as necessary, expansion and growth of our physical plant and customer parking for many years to come.

Savings Certificates

PICTURE OF LOWER REMODELING



The above pictures reflect new office facilities in the lower banking level that have been remodeled for the purpose of relocating all the audit and accounting functions to the lower banking level. We are extremely proud of these new quarters and invite you to come and view them whenever it is possible for you to be in the bank. Space that we held in reserve and did not use for the past ten years is now proving to be extremely valuable and we are exceedingly proud of these fine quarters in which our personnel work.

With the relocation of the auditing and accounting functions to the lower banking level, we are currently in the process of changing the configuration of the present tellers' line, locating an entrance on the south or Eleventh Street side of the building with the ultimate objective of relocating the Installment Loan Department to the area formerly occupied by accounting and auditing. Our Trust Department will then move to the area presently occupied by the Installment Loan Department. This will give each of these departments room for future expansion which is necessary due to the increased volume of business handled in each of these areas. Along with opening up of your main banking floor, creating better access to the various departments from three separate entrances to your bank, we will do an extended amount of redecorating of the bank's interior. It is hard to believe that we have been in these quarters since April of 1958 and we feel that the time has arrived in which sprucing up, cleaning up and redecorating has become mandatory. We are very proud of the plans that have been prepared for this job and hope that once the entire project has been completed you will be as pleased with it as we are.

Business and Personal Loans

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STAFF MEMBERS

ADMINISTRATION

Robert M. Gilbert, President
Rex C. Eaton, Jr., Executive Vice President

CREDIT

Curtis S. Slife, Senior Vice President and Credit Supervisor

COMMERCIAL LOANS

James B. Gronstal, Vice President
A. R. Miller, Vice President
Dale J. Bristow, Assistant Vice President
Virgil J. Mathews, Assistant Vice President
Robert W. Pappenheim, Assistant Vice President
John Long, Agricultural Fieldman

INSTALLMENT LOANS

Loren L. Gale, Assistant Vice President
George Wolfe, Jr., Assistant Vice President
Alvin E. Vonfeldt, Assistant Cashier

OPERATIONS

Alejandro M. Gillespie, Vice President and Cashier
Elsie Erickson, Assistant Cashier
Richard J. Read, Assistant Cashier
Norman Wood, Assistant Cashier

TRUST DEPARTMENT

Louis C. Rieker, Vice President and Trust Officer
Russell F. Billings, Vice President and Farm Manager
Russell K. Haney, Trust Administrator

AUDITOR

Arthur L. Haviland

PUBLIC RELATIONS AND BUSINESS DEVELOPMENT

Thomas E. Fitzgerald, Assistant Vice President
Harold Hyde, BankAmericard Representative

THE FIRST NATIONAL BANK EMPLOYEES

Joyce Abrams
Jean Akers
Lois Akin
Mickey Baker
Connie Ball
Mary Ann Biehm
Sylvia Brase
Claudia Burgdorff
Mary Burum
Barbara Casteel
Helen Chapman
Carol Cox
Carolyn Cumberlin
Sasha Dawson
Mary DeGolier
Patty Drewer
Donna DuBois
Edythe Faulk
Bev Fosler
Judy Fox
Nell Foy
Velma Gordon
Mary Gray
Chuck Grayum
Becky Hawkins
Kay Holtfort
Susan Horner
Mary Jurgensmeier
Martha Kent
John Kerst
Dave Kliewer
Jim Lyons
Terry Mellon
Cordelia Meyer
Conrad Miller
Midge Morehead
Annetta Munstermann
Ned Nelson
Al Orlofsky
Marsha Quirk
Diane Richard
Phyllis Roth
Loretta Samson
Delores Schimpf
Wilma Schnell
Sheila Schweiger
Lorena Simmons
Linda Springfield
Chris Stein
Nancy Stuessi
Bobby Sutton
Paige Todd
Bev Torres
Fern Vielma
Dixie Walker
Dian Wilson

SE TO EDGE

DIRECTORS

LEONARD N. BURCH
Banking and Investments

ROBERT S. DAVIS
Owner,
Davis Agency and Livestock

MARTIN R. DOMKE
Cattle Feeder

REX C. EATON, JR.
Executive Vice President
of the Bank

WM. S. GARNSEY
Colorado State Senator
President, Garnsey and Wheeler Co.

ROBERT M. GILBERT
President of the Bank

JOHN L. HALEY
Engineering Consultant
Nelson, Haley, Patterson & Quirk, Inc.

JOHN W. HENDERSON
Attorney-at-Law

DARRELL HOLMES, PH. D.
President, Colorado State College

HAROLD S. JONES
Owner, The Jones Company

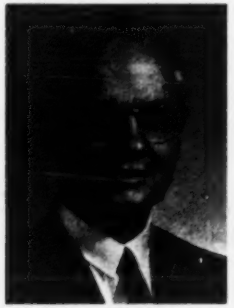
CARL J. MAGNUSON
Former Colorado State Senator
Farmer and Cattle Feeder

JOSEPH F. PHELPS
President, Hensel Phelps
Construction Company

DEAN C. ROYER
President, D. C. Royer Agency

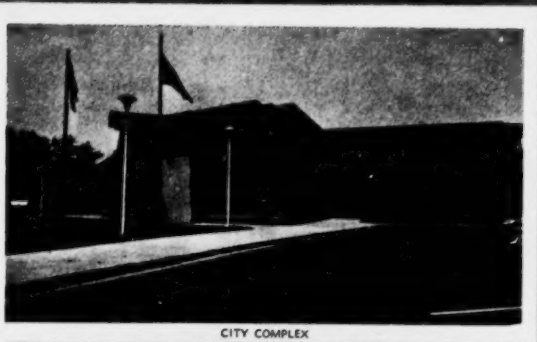
ERNEST B. SCOTT
President, Scott Realty Company

PHILLIP D. WEAVER, M. D.
Radiologist



WILLIAM H. SOUTHARD
Attorney-at-Law
Trustee, Colorado State Colleges
Elected to The Board of Directors
February 1968

Member FDIC and The Federal Reserve System



CITY COMPLEX

GLENMERE PARK

CSC STUDENT CENTER

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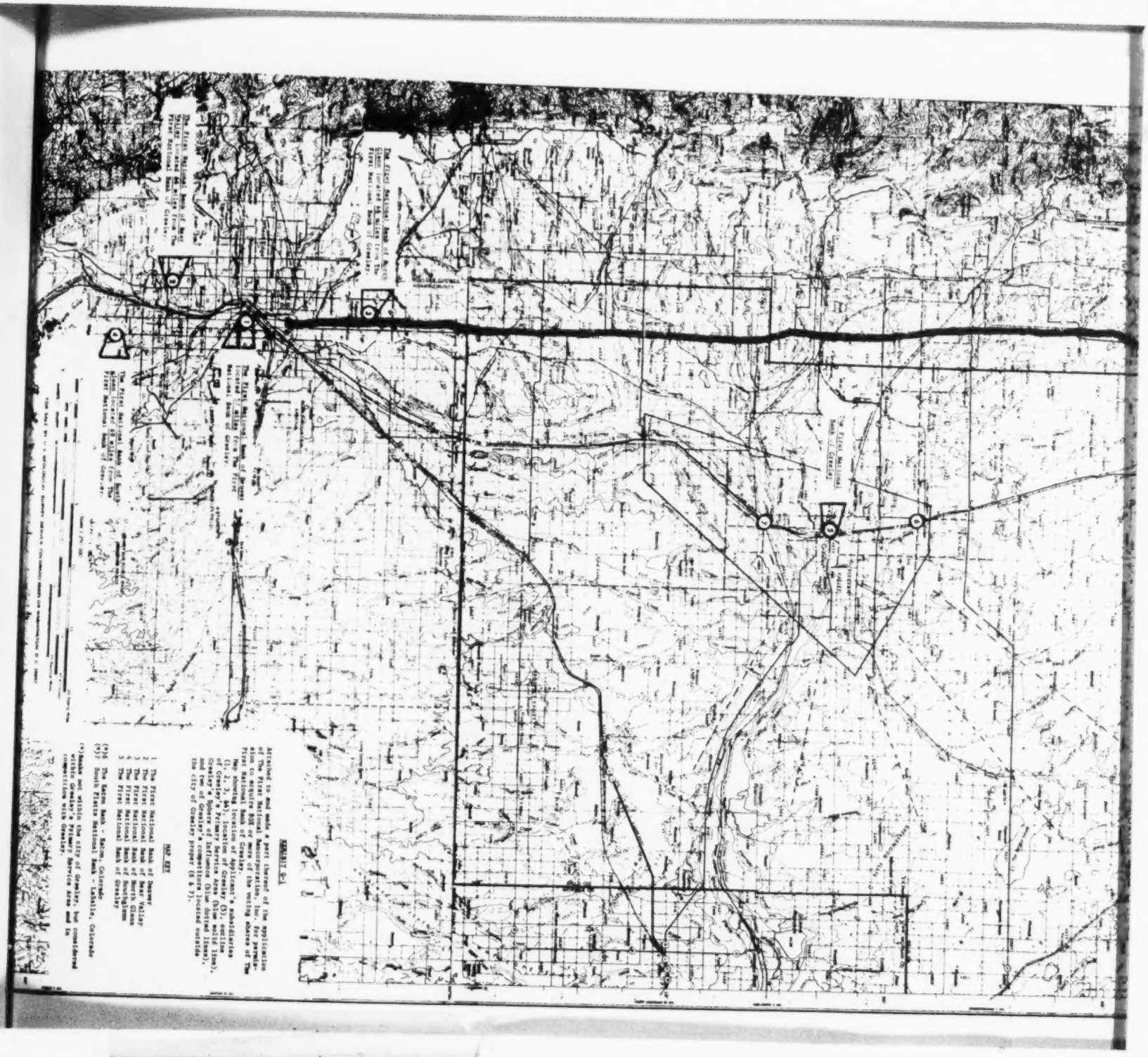

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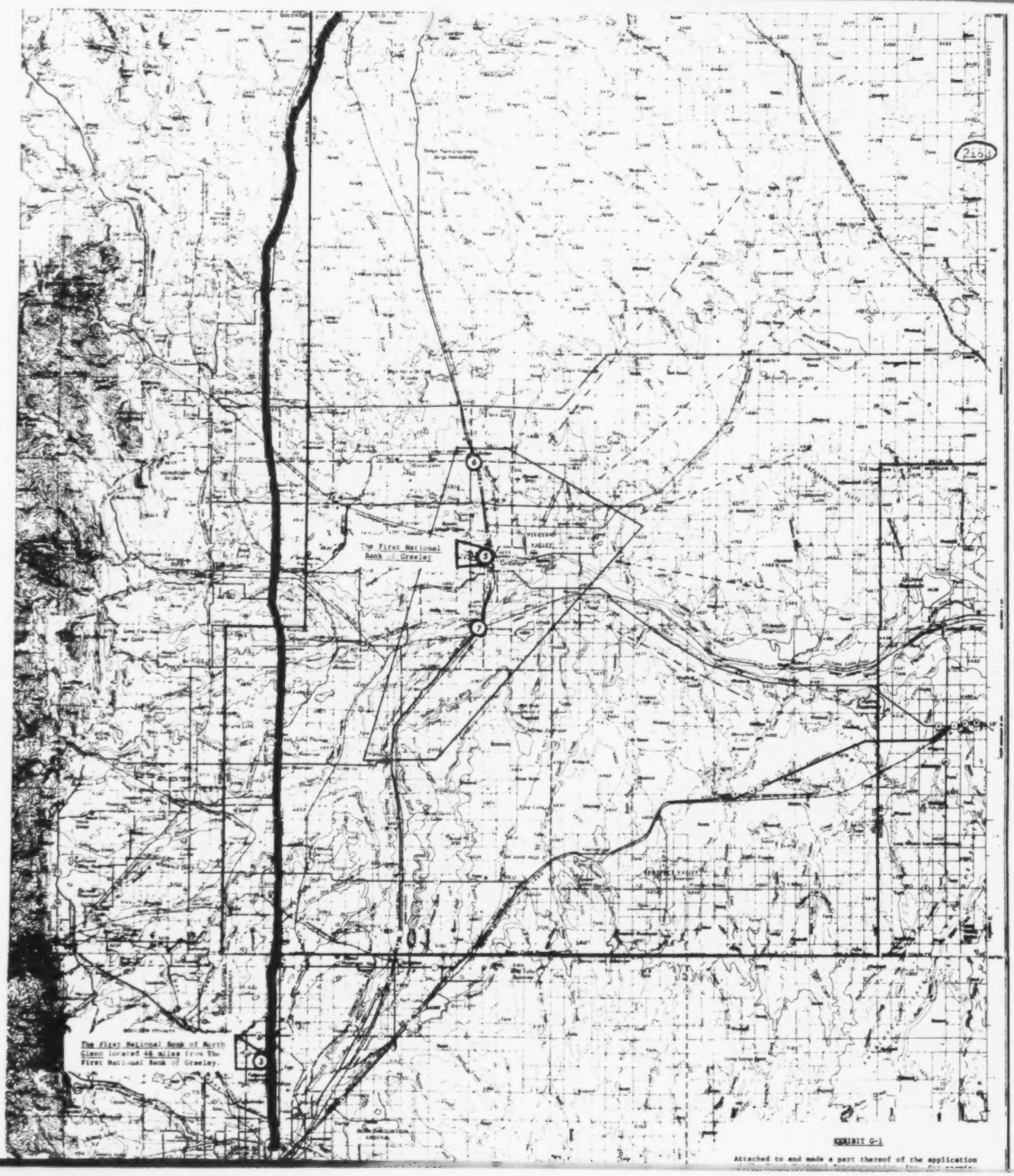

EXHIBIT G-1

Attached to and made a part thereof of the application

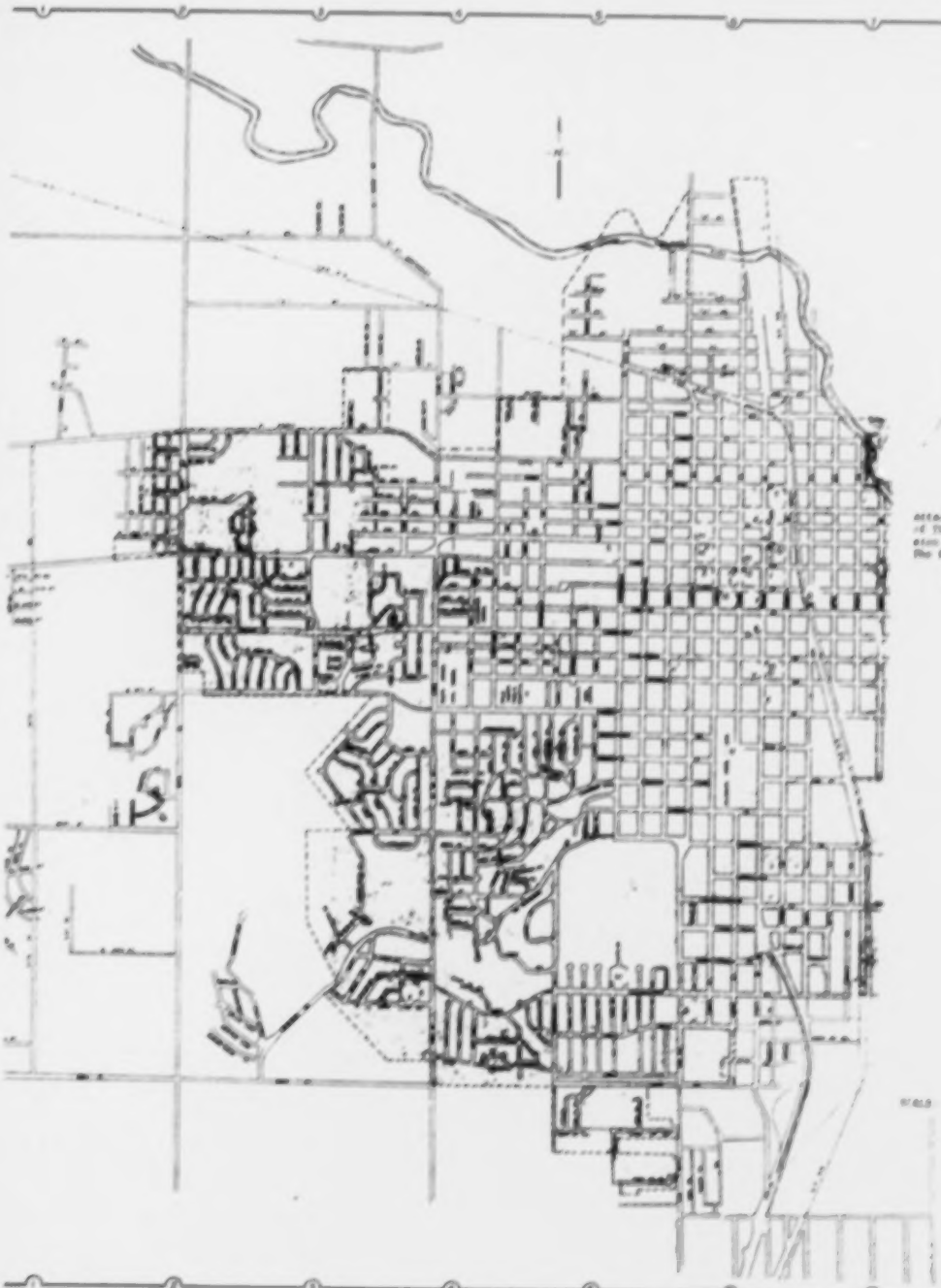

EXHIBIT A-1

attached to and made a part thereof of the application of Thurston National Bancorporation, Inc. for permission to acquire 80% or more of the voting shares of The First National Bank of Greeley.

Map showing location of all financial institutions located within the City of Greeley:

1. The First National Bank
2. Weld County Bank
3. State Bank of Greeley
4. Greeley National Bank
5. West Greeley National Bank
6. Corte National Bank

10. Greeley Industrial Bank
11. Empire Savings Building & Loan Assn.
12. Mountain Savings & Loan Assn.
13. Northern Colorado Savings & Loan Assn.
14. Midland Savings & Loan Assn.
15. Eastern Federal Savings & Loan Assn.

A. Aetna Finance Company
B. Associates Commerce Finance, Inc.
C. Beneficial Finance Co. of Greeley
D. CIT Corporation Loans
E. GAC Finance Corporation
F. Greeley Finance Company
G. Household Finance Corp. of Greeley
H. Liberty Loan Corp. & Affiliates
I. Pacific Finance
K. Tom Finance Co.
L. First Industrial Loan Company
M. Providence Finance Company
N. Southwest Finance Company
O. Gold-Nelson Investment Company
P. Federal Land Bank Assn. of Greeley
Q. Production Credit Association
R. Hoper Federal Credit Union
S. Nurbel Credit Union - Northern Colorado
T. Weld Federal Credit Union
U. The College Credit Union of Greeley
V. Greeley Public Schools Credit Union
X. GE Credit Union
Y. Our Lady of Peace Credit Union
Z. Weld County General Hospital Credit Union

City of Greeley

Map and Street Guide

DX 20

UNITED STATES POPULATION PER BANK OR BANKING OFFICE, 1859 TO 1970

Year	Number of banks	Population per bank
1859	2,829	10,847
1860	3,051	10,329
1861	2,905	11,136
1862	2,778	11,947
1863	2,853	11,926
1864	2,016	11,559
1865	3,696	9,659
1866	4,913	9,105
1867	4,183	8,935
1868	4,308	8,870
1869	4,258	9,171
1870	4,491	8,886
1871	5,089	8,044
1872	5,374	7,810
1873	5,680	7,571
1874	5,994	7,347
1875	6,087	7,405
1876	6,125	7,528
1877	6,256	7,535
1878	6,136	7,851
1879	6,074	8,101
1880	6,110	8,226
1881	6,377	8,082
1882	6,825	7,739
1883	7,304	7,407
1884	7,757	7,139
1885	7,939	7,137
1886	8,366	6,925
1887	9,171	6,457
1888	9,606	6,293
1889	10,236	6,035
1890	11,055	5,704
1891	11,738	5,483
1892	12,006	5,469
1893	12,393	5,404
1894	12,196	5,598
1895	12,347	5,635
1896	12,324 [1]	5,752
1896	12,112	5,852
1897	12,079	5,976
1898	12,163	6,042
1899	12,459	6,004

[1] Year end.

Year	Number of banks	Population per bank
1900	13,053	5,830
1901	14,054	5,520
1902	15,112	5,238
1903	16,433	4,907
1904	17,659	4,653
1905	18,767	4,466
1906	20,407	4,187
1907	21,986	3,957
1908	23,161	3,830
1909	23,734	3,813
1910	25,151	3,674
1911	25,815	3,636
1912	26,472	3,601
1913	27,285	3,563
1914	27,864	3,557
1915	28,017	3,589
1916	28,362	3,595
1917	28,919	3,576
1918	29,480	3,546
1919	29,767 [2]	3,530

Year	Total offices	Number of banks (midyear)	Number of branches	Population per office
1920	32,190	30,909	1,281	3,307
1921	32,531	31,076	1,455	3,337
1922	32,537	30,736	1,801	3,382
1923	32,498	30,444	2,054	3,445
1924	31,898	29,601	2,297	3,577
1925	31,577	29,052	2,525	3,668
1926	31,053	28,350	2,703	3,781
1927	30,169	27,255	2,914	3,946
1928	29,539	26,401	3,138	4,079
1929	28,921	25,568	3,353	4,210
1930	27,795	24,273	3,522	4,428
1931	25,709	22,242	3,467	4,825
1932	22,512	19,317	3,195	5,545
1933	17,565	14,771	2,784	7,153
1934	18,918	15,913	3,005	6,680 [3]
1935	19,395	16,023	3,372	6,677
1936	19,298	15,809	3,489	6,755
1937	19,162	15,556	3,606	6,845
1938	19,018	15,370	3,648	6,952
1939	18,889	15,196	3,693	7,058 [4]

[2] Midyear.

[3] Compiled from various recited sources by the Federal Deposit Insurance Corporation in its Annual Report for 1960 (p. 41).

[4] Ibid, p. 42.

TABLE

Year	Number of Banks	Number of Branches	Total Offices	Resident Population of U.S. (in Thousands)	Population/ Banking Office
1940	14,385	3,573	17,958	131,954	7,348
1941	14,315	3,610	17,925	133,121	7,427
1942	14,293	3,653	17,946	133,920	7,462
1943	14,192	3,842	18,034	134,245	7,444
1944	14,153	3,977	18,130	132,885	7,330
1945	14,168	4,001	18,169	132,481	7,292
1946	14,201	4,036	18,237	140,054	7,680
1947	14,209	4,207	18,416	143,446	7,789
1948	14,199	4,395	18,594	146,093	7,857
1949	14,184	4,627	18,811	148,665	7,903
1950	14,150	4,894	19,044	151,326	7,946
1951	14,118	5,208	19,326	153,982	7,968
1952	14,074	5,526	19,600	156,393	7,979
1953	14,009	5,892	19,901	158,956	7,987
1954	13,868	6,374	20,242	161,884	7,997
1955	13,743	6,992	20,735	165,069	7,961
1956	13,667	7,664	21,331	168,088	7,880
1957	13,594	8,284	21,878	171,187	7,825
1958	13,527	8,949	22,476	174,149	7,748
1959	13,473	9,657	23,130	177,135	7,658
1960	13,471	10,483	23,954	179,323	7,486
1961	13,431	11,351	24,782	183,057	7,387
1962	13,426	12,341	25,767	185,890	7,214
1963	13,568	13,496	27,064	188,658	6,971
1964	13,760	14,610	28,370	191,372	6,746
1965	13,803	15,753	29,556	193,815	6,558
1966	13,766	16,907	30,673	195,923	6,387
1967	13,721	17,931	31,652	197,864	6,251
1968	13,678	19,013	32,691	199,870	6,114
1969	13,661	20,197	33,858	201,921	5,964
1970	13,686	21,644	35,330	203,185	5,751

Note: Excludes for all years the number of banks, branches, and total offices in U.S. Possessions. Except for Census years: 1940, 1950, 1960 & 1970, population is based on Bureau of Census estimates as of July 1st of the respective year.

Source: Number of banks, branches, and banking offices: Banking Markets Unit, Division of Research and Statistics, Board of Governors of the Federal Reserve System. Prepared from records maintained by the Federal Deposit Insurance Corporation.

Resident Population: Bureau of the Census, U.S. Department of Commerce: Series P-25, No. 139, 304, 348, and 384. Statistical Abstract of the United States, 1970, Table No. 2; 1970 Census of Population, Advance Report, Final Population Count.

DX 21

TABLE

NUMBER OF BANKS AND BANKING OFFICES, SELECTED YEARS, BY STATE

State	Number of Banks[1]					Number of Banking Offices[1]		
	1880	1900	1920	1940	1969	1920	1940	1969
ntire United States[2]	6,110	13,067	30,962	14,399	13,681	32,282	17,992	34,099
ntinental United States	6,110	13,053	30,909	14,361	13,640	32,190	17,899	33,649
abama	89	107	352	217	268	372	237	515
izona	2	21	87	12	12	108	38	311
kansas	14	125	487	213	249	493	228	404
lifornia	107	287	717	205	155	896	1,051	3,055
lorado	45	118	403	146	224[3]	403	146	224[3]
nnecticut	199	205	237	117	62	251	133	467
laware	24	25	41	43	19	57	57	98
strict of Columbia	7	20	45	22	14	49	52	114
orida	8	38	263	167	475	265	169	504
orgia	81	223	779	342	433	804	368	703
aho	6	40	222	50	26	222	87	175
nois	489	990	1,969	840	1,088	1,969	840	1,162
liana	239	489	1,057	498	410	1,060	565	1,011
wa	370	1,140	1,922	658	668	1,922	814	966
nsas	153	487	1,349	662	603	1,349	662	664
ntucky	134	314	584	402	345	585	431	651
uisiana	25	78	267	145	231	347	199	590
ine	136	150	162	68	44	194	126	253
ryland	77	141	260	173	122	319	253	613
ssachusetts	482	468	526	201	161	526	318	874
chigan	245	521	851	450	332	1,069	613	1,485
nnesota	114	519	1,515	674	724	1,515	680	734
ssissippi	31	113	332	207	181	356	250	502
ssouri	212	676	1,652	620	668	1,652	620	753
ntana	10	56	431	111	136	431	111	141
braska	78	516	1,225	417	442	1,227	419	481
vada	16	10	33	11	8	33	22	89
w Hampshire	117	116	126	64	76	127	66	128
w Jersey	112	190	402	356	228	423	474	1,119
w Mexico	11	14	123	41	64	128	48	185
w York	742	907	1,125	735	320	1,354	1,379	2,618
th Carolina	29	118	578	227	109	624	354	1,125
th Dakota	16	153	899	163	169	899	184	237
o	426	721	1,145	693	521	1,251	866	1,738
ahoma	—	156	960	390	426	960	390	484

For 1880, 1900 and 1920, call dates nearest June 30; for 1940 and 1969, of-year call dates.

Including territories and other outlying areas (except the Philippines).

Excludes industrial banks and drive-in offices.

State	Number of Banks[1]					Number of Banking Offices[1]		
	1880	1900	1920	1940	1969	1920	1940	1969
Oregon	9	78	277	71	51	278	139	370
Pennsylvania	623	795	1,482	1,075	492	1,518	1,172	2,108
Rhode Island	115	90	48	23	13	93	61	174
South Carolina	34	137	461	150	105	476	172	485
South Dakota	[4]	205	679	164	163	679	202	257
Tennessee	54	183	548	297	305	579	348	754
Texas	111	410	1,681	858	1,166	1,681	858	1,233
Utah	10	39	133	60	51	133	72	177
Vermont	70	89	108	73	44	108	85	122
Virginia	94	159	496	313	233	516	385	998
Washington	3	107	394	134	92	404	221	615
West Virginia	39	127	340	179	195	340	180	200
Wisconsin	145	349	976	566	604	985	696	856
Wyoming	7	33	160	58	70	160	58	72

[1] For 1880, 1900 and 1920, call dates nearest June 30; for 1940 and 1969, end-of-year call dates.

[4] Included with North Dakota.

Source: Derivative from DX-20 and U.S. Department of Commerce, Bureau of the Census.

DX 22

TABLE

PULATION PER BANK AND PER BANKING OFFICE, SELECTED YEARS, BY STATE

State	Population per bank [1]					Population per banking office [1]		
	1880	1900	1920	1940	1969	1920	1940	1969
tire United States	8,214	5,914	3,472	9,316	15,064	3,330	7,456	6,044
ntinental United States	8,208	5,822	3,420	9,169	14,818	3,284	7,356	6,007
abama	32,371	17,091	6,671	13,055	12,851	6,312	11,954	6,687
izona	20,220	5,854	3,841	41,583	147,667	3,094	13,132	5,698
kansas	57,323	10,493	3,598	9,150	7,723	3,554	8,548	4,760
lifornia	8,081	5,174	4,779	33,693	128,729	3,825	6,572	6,531
lorado	4,318	4,574	2,332	7,692	9,854	2,332	7,692	9,854
nnecticut	3,129	4,431	5,825	14,607	48,903	5,501	12,850	6,493
laware	6,108	7,389	5,439	6,209	28,842	3,912	4,684	5,592
strict of Columbia	25,374	13,936	9,724	30,136	54,071	8,930	12,750	6,640
orida	33,686	13,909	3,682	11,359	14,293	3,655	11,225	13,470
orgia	19,039	9,512	3,717	9,135	10,600	3,602	8,489	6,529
aho	5,435	4,044	1,945	10,500	27,423	1,945	6,034	4,074
inois	6,294	4,870	3,294	9,401	10,215	3,294	9,401	9,565
liana	8,277	5,146	2,772	6,884	12,668	2,765	6,067	5,137
wa	4,390	1,958	1,251	3,857	4,229	1,251	3,118	2,924
nsas	6,510	3,019	1,312	2,721	3,730	1,312	2,721	3,387
ntucky	12,303	6,838	4,138	7,080	9,330	4,131	6,603	4,945
uisiana	37,597	17,713	6,736	16,303	15,771	5,183	11,879	6,175
ine	4,771	4,630	4,741	12,456	22,591	3,959	6,722	3,929
aryland	12,142	8,426	5,576	10,526	32,148	4,544	7,198	6,398
assachusetts	3,699	5,994	7,324	21,478	35,335	7,324	13,575	6,509
ichigan	6,681	4,647	4,311	11,680	26,732	3,432	8,574	5,976
nnesota	6,848	3,375	1,576	4,142	5,256	1,576	4,106	5,184
ssissippi	36,503	13,728	5,393	13,594	12,249	5,030	8,736	4,416
ssouri	10,228	4,596	2,061	6,105	7,001	2,061	6,105	6,211
ontana	3,915	4,345	1,274	5,036	5,103	1,272	5,036	4,922
braska	5,800	2,066	1,058	3,156	3,357	1,057	5,141	3,085
vada	3,891	4,234	2,346	10,000	61,125	2,346	5,000	5,494
w Hampshire	2,965	3,548	3,517	7,687	9,711	3,489	7,455	5,766
w Jersey	10,099	9,914	7,850	11,685	31,439	7,461	8,776	6,406
w Mexico	10,869	13,951	2,930	12,976	15,875	2,815	11,083	5,492
w York	6,850	8,014	9,231	18,339	56,847	7,670	9,774	6,948
rth Carolina	48,267	16,049	4,428	15,736	46,624	4,101	10,090	4,517
rth Dakota	8,448	2,086	720	3,939	3,657	720	3,489	2,608
io	7,507	5,766	5,030	9,968	20,445	4,604	7,977	6,129
lahoma	—	5,067	2,113	5,990	6,007	2,113	5,990	5,287

[1] For 1880, 1900 and 1920 computed from number of banks and offices at ll dates nearest June 30 and population at census dates; for 1940 from number banks and offices at end of year and population at census date; for 1969 om number of banks and offices at end of 1969 and Census of Population r 1970.

State	Population per bank [1]					Population per banking office [1]		
	1880	1900	1920	1940	1969	1920	1940	1969
Oregon	19,418	5,302	2,828	15,352	41,000	2,818	7,842	5,561
Pennsylvania	6,874	7,927	5,884	9,209	23,972	5,744	8,447	5,595
Rhode Island	2,404	4,762	12,592	31,000	73,077	6,499	11,689	5,460
South Carolina	29,281	9,782	3,652	12,667	24,676	3,537	11,047	5,342
South Dakota	[2]	1,959	937	3,921	4,086	938	3,183	2,591
Tennessee	28,562	11,042	4,266	9,818	12,866	4,038	8,379	5,204
Texas	14,340	7,436	2,774	7,477	9,603	2,774	7,477	9,081
Utah	14,396	7,096	3,379	9,167	20,765	3,379	7,639	5,983
Vermont	4,746	3,861	3,263	4,918	10,114	3,263	4,224	3,648
Virginia	16,091	11,662	4,656	8,556	19,948	4,475	6,956	4,657
Washington	25,038	4,842	3,443	12,955	37,054	3,358	7,855	5,543
West Virginia	15,857	7,550	4,305	10,626	8,944	4,305	10,567	8,720
Wisconsin	9,072	5,928	2,697	5,544	7,315	2,672	4,509	5,161
Wyoming	2,969	2,804	1,215	4,328	4,743	1,215	4,328	4,611

[1] For 1880, 1900 and 1920 computed from number of banks and offices at call dates nearest June 30 and population at census dates; for 1940 from number of banks and offices at end of year and population at census date; for 1969 from number of banks and offices at end of 1969 and Census of Population for 1970.

[2] Included with North Dakota.

ANALYSIS OF CHANGES IN NUMBER OF INC
UNITED STA

Year	Number at end of preceding year[1]		Began operations	
			Total	New banks[2]
Total 1921-1934		-13,963	7,473	4,438
1921	29,206	-188	565	472
1922	29,018	-198	527	409
1923	28,820	-424	526	458
1924	28,396	-672	491	383
1925	27,724	-501	484	403
1926	27,223	-943	505	345
1927	26,280	-812	423	296
1928	25,468	-765	305	252
1929	24,703	-1,008	304	235
1930	23,695	-1,818	308	153
1931	21,877	-2,728	380	105
1932	19,149	-1,571	372	93
1933	17,578	-3,226	1,020	323
1934[7]	14,352	+891	1,263	511

1 Federal Reserve Bulletin, November 1937, p. 1087. Excludes m

2 Excludes new banks organized to succeed operating banks, but fo
State banks unlicensed after the banking holiday.

3 For 1921-32 includes reopenings accompanied by a change of nam
during the banking holiday in March 1933 which were licensed subse
1933, are not included in this table (either as suspensions or reoper

4 Decrease in number resulting from consolidations, mergers, an
were taken over by other banks.

5 Includes banks which reopened in the same or a subsequent year

6 Chiefly conversions from private banks, but including some uncl

7 Changes in 1934 include banks that had been closed at the time of
were approved for deposit insurance or licensed in time to reopen

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CHANGES IN NUMBER OF INCORPORATED COMMERCIAL BANKS IN CONTINENTAL UNITED STATES, 1921-1934

TABLE D

	Began operations			Ceased operations				
	Total	New banks[2]	Reopenings of suspended banks[3]	Total	Absorbed[4]	Suspended[5]	Voluntary liquidations	Other changes--net[6]
63	7,473	4,438	3,035	21,777	6,516	14,267	994	+341
88	565	472	93	814	305	461	48	+61
98	527	409	118	772	394	343	35	+47
24	526	458	68	1,003	329	623	51	[illegible]
72	491	383	108	1,191	373	738	80	+28
01	484	403	81	1,001	363	579	59	+16
43	505	345	160	1,461	462	924	75	+13
12	423	296	127	1,260	567	636	57	+25
35	305	252	53	1,084	534	479	71	+14
08	304	235	69	1,321	636	628	57	+9
18	308	153	155	2,129	769	1,292	68	+3
28	380	105	275	3,110	798	2,213	99	+2
71	372	93	279	1,950	433	1,416	101	+7
26	1,020	323	697	4,302	322	3,891	89	+56
01	1,263	511	752	379	231	44	104	+7

er 1937, p. 1087. Excludes mutual savings banks and private banks.
cceed operating banks, but for 1933 and 1934 includes new banks organized to succeed national and
g holiday.
companied by a change of name and issuance of a new charter. For 1933-34 includes banks closed
33 which were licensed subsequent to June 30, 1933. Banks licensed between March 15 and June 30,
ther as suspensions or reopenings).
consolidations, mergers, and absorptions of going banks. Does not include suspended banks that

e same or a subsequent year.
nks, but including some unclassified changes, particularly in 1933.
ad been closed at the time of the banking holiday and were unlicensed as of December 30, 1933, but
r licensed in time to reopen on January 2, 1934, and other changes between those dates.

DX 24

List of All National Banks Closed in Colorado, 1920-1938 [1]

Name of Bank	Date of Organization	Capital	Date Receiver Appointed	Apparent Cause of Failure [2]	Claims Proved	Dividends Paid (Per Cent)	Date Finally Closed or Restored
F.N.B. Lafayette, Co.	09-21-07	25000	10-27-21	A	22100		10-24-21 Reorganized
Sterling National Bank Sterling, Co.	05-02-21	150000	12-11-22	A	1,482974	27.74	10-22-30
F.N.B. Sterling, Co.	10-20-00	25000	04-05-24	A	677657	52.90	06-05-30
F.N.B. Rocky Ford, Co.	10-23-03	50000	04-06-24	C	227086—	70.50	09-30-28
Citizens National Bank Julesburg, Co.	09-29-09	25000—	06-12-24	B	164456—	54.20	10-31-29
Logan County National Bank Sterling, Co.	10-11-05	25000—	01-26-25	C	457472—	89.65	05-31-31
F.N.B. Simla, Co.	05-10-19	25000—	06-25-25	B	64969—	85.00	10-17-28
Globe National Bank Denver, Co.	02-05-20	200000—	10-01-25	B	3,703938—	62.5	04-18-35
Loveland National Bank Loveland, Co.	02-14-06	100000—	10-22-25	C	483464—	79.5	04-23-32
Dover National Bank Denver, Co.	12-18-19	200000—	12-24-25	A	871924—	40.26	05-31-31
F.N.B. Rifle, Co.	12-05-01	25000—	12-24-25	C	277685—	77.40	10-30-30

Stockman National Bank	12-22-06	35000—	03-01-26	C	193917—	62.75	12-31-32

F.N.B. Pagosa Springs, Co.	10-04-20	25000—	03-06-26	A	54156—	44.00	08-27-28
F.N.B. Hayden, Co.	04-16-13	25000—	06-16-26	A	116778—	56.80	09-30-29
F.N.B. Akron, Co.	02-04-07	25000—	08-26-26		234004	36.33	12-05-30
Broadway National Bank Denver, Co.	08-10-22	200000—	01-16-25	C	1,961087	77.7	12-31-35
F.N.B. Delta, Co.	05-22-00	30000—	09-25-29	B	363089	50.3	02-23-35
F.N.B. Fountain, Co.	04-20-03	25000—	08-01-30	A	58500—	37.17	03-01-33
Limon National Bank Limon, Co.	02-10-20	30000—	09-16-31	A C	34029	77.56	08-20-34
F.N.B. Deertrail, Co.	12-27-19	25000—	10-31-31	C	37380	94.55	07-08-35
F.N.B. Yuma, Co.	09-02-11	25000—	10-16-31	A C	94873	69.09	07-29-35
F.N.B. Buena Vista, Co.	05-31-07	25000—	11-06-31		70807	100.00	11-20-33
F.N.B. Steamboat Springs, Co.	08-21-02	25000—	11-17-31				06-29-37

Name of Bank	Date of Organization	Capital	Date Receiver Appointed	Apparent Cause of Failure [2]	Claims Proved	Dividends Paid (Per Cent)	Date Finally Closed or Restored
F.N.B. Brighton, Co.	12-31-04	25000—	12-02-31		206446—	37.85	08-24-35
F.N.B. Idaho Springs, Co.	05-19-83	50000—	12-23-31			64.2	10-31-38
F.N.B. Monte Vista, Co.	04-08-04	25000—	02-08-32		125832—	24.57	12-20-35
F.N.B. Craig, Co.	05-28-14	25000—	02-18-32		96790—	68.6	06-29-35
Craig National Bank Craig, Co.	06-06-14	25000—	02-18-32		269647	14.55	09-06-35
F.N.B. Lafayette, Co.	08-21-07	25000—	05-09-32		75135	46.90	07-11-35
F.N.B. Peeta, Co.	10-27-17	25000—	08-24-32		26573	44.9	04-24-36
Citizens National Bank Glenwood Springs, Co.	09-09-03	25000—	12-29-32		366659—	65.11	10-29-36
F.N.B. Littleton, Co.	12-09-04	25000—	01-12-33		285306	75.60	08-25-37
F.N.B. Wellington, Co.	06-03-05	25000—	01-24-33		480483	63.6	07-08-35

Fort Collins, Co.						
Trinidad National Bank	01-23-86	50000—	08-18-33			05-18-34 Reorganized
Trinidad, Co.				144613	95.5	04-30-37
Montezuma Valley National Bank	02-26-08	30000—	08-18-33			
Cortez, Co.						08-29-34 Reorganized
F.N.B.	03-08-24	25000—	09-12-33			
La Veta, Co.				529294—	100.00	06-30-37
Rudy National Bank	10-28-02	50000—	09-21-33			
Golden, Co.				187967—	100.00	11-27-37
F.N.B.	09-15-73	50000—	10-09-33			
Central City, Co.				182308—	70.00	04-30-37
F.N.B.	01-18-10	50000—	10-09-33			
Mancos, Co.				334336—	46.15	12-31-37
F.N.B.	03-05-20	25000—	10-31-33			
Aurora, Co.				180198—	100.00	09-24-37
F.N.B. of Douglas Co.	12-12-02	25000—	12-18-33			
Castle Rock, Co.				172355—	100.00	03-08-37
F.N.B.	12-07-01	25000—	01-26-34			
Eaton, Co				328746	89.10	09-30-37
Boulder National Bank	07-19-84	50000—	03-28-34			
Boulder, Co.				204277	94.70	12-09-36
F.N.B.	10-19-99	50000—	06-18-34			
La Junta, Co.						

Total National Bank Suspensions	45
Restored to Solvency	3
Total Failures	42

[1] Comptroller of the Currency, Annual Reports, 1931-1938, inclusive.
[2] A—Incompetent managements, B—Dishonesty, C—Local Financial Conditions.

LIST OF ALL STATE BANKS CLOSED—1920-1938 *

	Date of Closing	Capital	Deposits	Dividends (Per Cents)	Remarks
Farmers Bank of Timnath Timnath, Colorado	12-13-20	30,000	187,757	100	
First Bank of Iliff Iliff, Colorado	12-13-20	30,000	132,468	100	
The Kirk State Bank Kirk, Colorado	12-11-20	10,000	58,436	100	Reorganized
The Buchingham State Bank Buchingham, Colorado	12-24-20	10,000	31,592	100	
The Stoneham State Bank Stoneham, Colorado	4-7-21	10,000	26,398	25.66	
The Keene Valley Bank Keensburg, Colorado	4-30-21	10,000	18,399	84	
The Bank of Pueblo Pueblo, Colorado	6-13-21	50,000	231,432	82	
The Snyder State Bank Snyder, Colorado	7-15-21	10,000	12,613	26	
The Denver State Bank Denver, Colorado	7-19-21	50,000	148,286	75	
The First State Bank of Mesita Mesita, Colorado	8-15-21	10,000	23,362	11.1	
The Farmers and Merchants Bank Jaroso, Colorado	10-1-21	10,000	35,203	77	

Ordway, Colorado				
The Farmers State & Savings Bank Akron, Colorado	10-14-21	20,000	55,709	10
The Greeley Loan & Trust Company Greeley, Colorado	12-21-21	50,000	44,606	100
The Security State Bank Sheridan Lake, Colorado	1-19-22	10,000	24,662	45
The Farmers State Bank of Windsor Windsor, Colorado	1-31-22	15,000	92,606	60.15
The Home State Bank Montrose, Colorado	3-27-22	60,000	220,892	45
The Nucla State Bank Nucla, Colorado	3-30-22	10,000	41,881	100
The Citizens State Bank Lamar, Colorado	5-26-22	35,000	254,921	20
The Farmers State Bank Springfield, Colorado	5-27-22	15,000	61,404	40
The Bristol State Bank Bristol, Colorado	8-11-22	10,000	53,541	30
Orchard State Bank Orchard, Colorado	1-8-23	10,000	21,582	29.3
Goodrich State Bank Goodrich, Colorado	1-13-23	10,000	25,330	100

	Date of Closing	Capital	Deposits	Dividends (Per Cents)	Remarks
Hasty State Bank Hasty, Colorado	1-26-23	10,000	19,029	40	
Fleming State Bank Fleming, Colorado	2-23-23	20,000	55,139	10.9	
Farmers and Merchants Bank Baysfield, Colorado	3-3-23	15,000	116,741	65.7	
Hudson State Bank Hudson, Colorado	3-10-23	15,000	21,407	69.5	
Farmer State Bank Keota, Colorado	4-28-23	10,000	21,550.23	14	
Le Veta State Bank Le Veta, Colorado	6-25-23	30,000	161,126.50	20	
Hibernia Bank and Trust Company Denver, Colorado	7-27-23	100,000	1,494,348	80	
Interstate Trust Company Denver, Colorado	8-22-23	200,000	2,109,433	60	
Stratton State Bank Stratton, Colorado	9-12-23	25,000	87,889	10	
Northern Bank & Trust Company Greeley, Colorado	11-19-23	50,000	102,055	40	
Bank of Cheyenne Wells Cheyenne Wells, Colorado	11-20-23	25,000	45,126	40	

Bank of Maybell Maybell, Colorado	11-23-23	10,000	26,294	100		
Farmer State Bank Bovina, Colorado	12-4-23	15,000	37,899	26		
Burlington, State Bank Burlington, Colorado	12-15-23	15,000	204,513	55		
First State Bank Clifton, Colorado	12-31-23	10,000	81,448	40		
Kersey State Bank Kersey, Colorado	12-31-23	20,000	58,968	20		
Farmers & Merchants Bank Evans, Colorado	1-2-24	12,500	37,105	65		
Costilla County Bank San Acacia, Colorado	2-14-24	10,000	62,026	100	Reorganized	
North Park Bank Walden, Colorado	5-28-24	30,000	166,722	15		
Monument State Bank Monument, Colorado	6-26-24	10,000	50,902	60		
Grover State Bank Grover, Colorado	7-9-24	10,000	23,657	40		
Commercial State Bank Antonito, Colorado	9-23-24	25,000	168,954	100	Reorganized	
Italian-American Bank Denver, Colorado	1-28-25	100,000	487,243	11.33		

	Date of Closing	Capital	Deposits	Dividends (Per Cents)	Remarks
Farmer Bank and Trust Company Fort Collins, Colorado	5-2-25	50,000	106,533	29.5	
The American State Bank Granada, Colorado	6-12-25	10,000	65,280		Reorganized 4-22-27
The First State Bank Cheraw, Colorado	8-24-25	20,000	58,909	42	
Bank of Gypsum Gypsum, Colorado	11-18-25	25,000	89,377	74.5	
The North Denver Bank Denver, Colorado	12-17-25	50,000	211,748	56.9	
The Metropolitan State Bank Denver, Colorado	12-18-25	50,000	130,774	100	
The Capitol Hill State Bank Denver, Colorado	12-18-25	50,000	306,407	45.5	
The First State Bank Brandon, Colorado	2-13-26	10,000	29,918	51.6	
The Bank of Commerce Denver, Colorado	1-21-26	50,000	128,543	100	
The Farmers State Bank Flagler, Colorado	6-2-26	25,000	35,738	24.6	
The Matheson State Bank	3-21-26	10,000	38,438	49.8	

First State Bank of Milliken Milliken, Colorado	2-19-26	10,000	22,005	65.6
The State Bank of Raymer New Raymer, Colorado	12-19-26	10,000	32,590	53.25
Routt County Bank Oak Creek, Colorado	10-11-26	15,000	94,573	86
The Farmers State Bank Otis, Colorado	10-16-26	25,000	80,005	88.6
Peoples Home Bank Rocky Ford, Colorado	3-25-26	30,000	175,055	73.5
International State Bank Trinidad, Colorado	4-5-26	100,000	198,512	100
First State Bank Aguilar, Colorado	9-14-27	25,000	152,276	64.12
The Costilla County Bank San Acacio, Colorado	9-14-27	10,000	61,679	100
American State Bank Amherst, Colorado	5-5-28	10,000	30,448	100
The Lincoln State Bank Arriba, Colorado	11-19-28	25,000	23,212	21
The Pioneer State Bank Denver, Colorado	5-16-28	100,000	675,174.73	50.86
The Daily State Bank Daily, Colorado	11-18-29	10,000	27,150	100

	Date of Closing	Capital	Deposits	Dividends (Per Cents)	Remarks
The Farmers State Bank Gilcrest, Colorado	11-29-29	10,000	16,968	31	
The Norwood State Bank Norwood, Colorado	9-6-29	25,000	181,902	70.6	
The Bank of Telluride Telluride, Colorado	9-6-29	50,000	614,315	39.3	
The Peoples State Bank Wray, Colorado	9-9-30	15,000	61,252	100	
The Bank of Yampa Yampa, Colorado	12-31-30	15,000	99,511	36.8	
The Agate State Bank Agate, Colorado	9-28-31	10,000	27,155	16	
Blanca State Bank Blanca, Colorado	3-31-31	10,000	67,901	48.8	
The Stock Growers State Bank Burlington, Colorado	10-2-31	25,000	397,361	35	
The First State Bank Caihan, Colorado	10-6-31	15,000	242,437	35	
The State Bank Colorado Springs, Colorado	12-31-31	50,000	287,289	70	

Crested Butte, Colorado	4-23-31	15,000	203,035	68
Bank of Del Norte Del Norte, Colorado	10-30-31	20,000	248,131	25
The Phillips County State Bank Holyoke, Colorado	12-7-31	25,000	154,429	39.95
The First State Bank Wiggins, Colorado	10-15-31	15,000	107,078	90.3
The Union State Bank Yuma, Colorado	10-21-31	25,000	179,262	66
The Bethume State Bank Bethume, Colorado	11-26-32	16,000	17,713	23.5
The American State Bank Brighton, Colorado	9-11-32	35,000	292,670	52.3
The Broomfield State Bank Broomfield, Colorado	1-23-32	20,000	18,636	68.25
The Colorado State Bank Canon City, Colorado	9-8-32	35,000	200,068	100
The Castle Rock State Bank Castle Rock, Colorado	11-1-32	25,000	69,149	43
The Peoples State Bank Center, Colorado	5-21-32	25,000	112,235	100
The Eads State Bank Eads, Colorado	11-29-32	25,000	80,326	26.1
The Platte Valley State Bank Fort Lupton, Colorado	7-22-32	25,000	92,543	42.6

	Date of Closing	Capital	Deposits	Dividends (Per Cents)	Remarks
The Peoples State Bank Fort Morgan, Colorado	12-13-32	25,000	211,306	80	
Bank of Georgtown Georgetown, Colorado	11-9-32	30,000	85,377	75	
The Hartman State Bank Hartman, Colorado	7-21-32	10,000	26,966	73	
The Farmers State Bank Haxtun, Colorado	7-9-32	25,000	181,605	78	
Yampa Valley Bank Hayden, Colorado	10-29-32	30,000	46,588	68	
The Colorado Bank & Trust Company Longmont, Colorado	2-29-32	50,000	293,416	54.62	
The Loveland State Bank Loveland, Colorado	7-23-32	50,000	208,944	19.4	
The First State Bank Meeker, Colorado	7-22-32	30,000	138,758	100	
The First Exchange State Bank Paonia, Colorado	1-20-32	30,000	187,945	79.75	
The Bank of Ridgway Ridgway, Colorado	12-12-32	15,000	60,804	57.83	
The Seibert State Bank Seibert, Colorado	12-20-32	10,000	36,676	29.6	

The Cheyenne County State Bank Cheyenne Wells, Colorado	1-9-33	30,000	71,267.84	100
The State Bank of Ramah Ramah, Colorado	1-23-33	10,000	74,512.54	
The Wallace State Bank Monte Vista, Colorado	1-28-33	100,000	26,891	
Rio Grande State Bank Del Norte, Colorado	1-31-33	15,000	121,425	
The Monte Vista Bank & Trust Company Monte Vista, Colorado	2-3-33	50,000	128,368	
Ovid State Bank Ovid, Colorado	3-3-33	15,000	33,540	84
Durango Bank & Trust Company Durango, Colorado	4-12-33	100,000	220,546	
The Englewood State Bank Englewood, Colorado	7-10-33	25,000	45,478	100

Reports of the Colorado State Bank Commissioner, 1920-1936

Total Bank Failures 111

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Recent Charter Applications Granted and Denied National Banks

Name of Bank	Date Established	Capital	Remarks
First National Bank Cortez, Colorado	5-31-58	200,000	
Lakeside National Bank Wheat Ridge, Colorado	6-15-59	500,000	
Arapahoe National Bank Boulder, Colorado	11-28-60	200,000	
Republic National Bank Pueblo, Colorado	9-4-62	400,000	
Cache National Bank Greeley, Colorado	4-23-62	200,000	
Colfax National Bank Denver, Colorado	10-1-62	300,000	
Alameda National Bank Denver, Colorado	10-15-62	300,000	
First National Bank Sterling, Colorado	11-16-62	750,000	
University National Bank Fort Collins, Colorado	11-30-62	400,000	
Park National Bank Pueblo, Colorado	1-9-63	250,000	
First Westland National Bank Lakewood, Colorado	2-28-63	750,000	
Boulevard National Bank Denver, Colorado	6-21-63	300,000	
The Northeast Colorado National Bank Denver, Colorado	6-27-63	281,250	
South Denver National Bank Denver, Colorado	7-1-63	300,000	
West Greeley National Bank Greeley, Colorado	7-5-63	125,000	
Aurora National Bank Aurora, Colorado	7-22-63	250,000	
Brighton National Bank Brigton, Colorado	5-1-63	250,000	Failed 1/22/66
Northern National Bank Colorado Springs, Colorado	9-24-63	250,000	
Seventeenth Street National Bank Denver, Colorado	4-22-63	700,000	Villa National United Bank of Lakewood

Name of Bank	Date Established	Capital	Remarks:
First National Bank Burlington, Colorado	10-7-63	100,000	
Security National Bank Denver, Colorado	10-14-63	750,000	
Western National Bank Denver, Colorado	11-7-63	300,000	
The First National Bank of North Glenn North Glenn, Colorado	11-14-63	212,500	
Valley National Bank Littleton, Colorado	7-10-63	300,000	
Boulder National Bank Boulder, Colorado	1-15-64	750,000	
South Platte National Bank La Salle, Colorado	3-3-64	175,000	
Mesa National Bank Grand Junction, Colorado	5-4-64	300,000	
National Bank of Delta Delta, Colorado	5-18-64	150,000	
South Colorado National Bank Denver, Colorado	6-1-64	137,500	
The First National Bank of Bear Valley Denver, Colorado	6-15-64	275,000	
The East Colorado Springs National Bank Colorado Springs, Colorado	8-31-64	330,000	
The Western National Bank Colorado Springs, Colorado	9-1-64	200,000	
The First National Bank of South Glenn Littleton, Colorado	11-30-64	125,000	
Westlake First National Bank Loveland, Colorado	12-4-64	100,000	
Metro National State Bank Denver, Colorado	12-11-64	500,000	
First National Bank Estes Park, Colorado	1-18-65	100,000	
Republic National Bank Englewood, Colorado	2-4-65	306,500	
Midtown National Bank Pueblo, Colorado	3-1-65	300,000	
Air Academy National Bank U.S. Air Force Academy	6-5-66	200,000	
Fort Carson National Bank Fort Carson, Colorado	2-13-67	100,000	

Name of Bank	Date Established	Capital	Remarks
Wheat Ridge National Bank Wheat Ridge, Colorado	10-30-69	300,000	
Arapahoe Colorado National Littleton, Colorado			
Fort Collins National Bank Fort Collins, Colorado			
Skyline National Bank Denver, Colorado			

State Banks

Name of Bank	Date Established	Capital	Name Changed To:
n Miguel Basin State Bank Norwood, Colorado	3-1-50	75,000	
e Home State Bank Loveland, Colorado	4-1-50	400,000	
tropolitan State Bank Commerce City, Colorado	6-1-50	250,000	
ddle Park Bank Granby, Colorado	6-20-50	100,000	
kansas Valley Bank Pueblo, Colorado	9-18-50	300,000	
glewood State Bank Englewood, Colorado	3-20-51	800,000	Continental Nat'l Bank Englewood, Colorado
rth Denver Bank Denver, Colorado	10-15-51	950,000	
e Central Colorado Bank Colorado Springs, Colorado	1-19-53	399,300	
e Cherry Creek Bank Denver, Colorado	4-6-53	1,000,000	Cherry Creek National Bank
e Bank of Lafayette Lafayette, Colorado	7-24-53	100,000	First National Bank of Lafayette
rth Park State Bank Walden, Colorado	2-21-55	75,000	
cky Mountain Bank Lakewood, Colorado	11-7-56	300,000	Lakewood Colorado National Bank
narnty Bank & Trust Company Denver, Colorado	6-20-55	1,575,000	
iversity Hills Bank Denver, Colorado	3-12-56	800,000	
eoples Bank & Trust Company Aurora, Colorado	6-27-57	300,000	
he Pikes Peak Bank of Commerce Colorado Springs, Colorado	7-1-57	200,000	The Pikes Peak National Bank
rapahoe County Bank Littleton, Colorado	4-14-58	270,000	Arapahoe Valley Bank Merged: Valley Nat'l Bank
roomfield Heights Bank Broomfield, Colorado	11-15-58	150,000	

Name of Bank	Date Established	Capital	Name Changed To:
The Dolores State Bank Dolores, Colorado	1-5-59	75,000	
First State Bank of Westminister Westminister, Colorado	5-4-59	279,800	First National Bank
South Gate State Bank Colorado Springs, Colorado	10-9-59	300,000	American Heritage Bank and Trust Co.
Evergreen State Bank Evergreen, Colorado	3-1-60	250,000	
Commonwealth State Bank Boulder, Colorado	11-21-60	200,020	Security National Bank
Southwest State Bank Denver, Colorado	2-6-61	318,000	
Center State Bank Denver, Colorado	3-1-61	432,000	
Arvada State Bank Arvada, Colorado	4-30-62	250,000	
Golden State Bank Golden, Colorado	5-12-62	250,000	
Buena Vista Bank & Trust Co. Buena Vista, Colorado	1-2-63	80,000	
North Valley State Bank Thornton, Colorado	2-25-63	250,000	
The Bank of Glenwood Glenwood Springs, Colorado	4-1-63	200,000	
The Bank of Fountain Valley Security, Colorado	7-8-63	200,000	
Rocky Mountain Bank & Trust Co. Fort Collins, Colorado	7-8-63	300,000	
Holyoke Bank and Trust Co. Holyoke, Colorado	7-23-63	150,000	
The St. Vrain Valley Bank Longmont, Colorado	8-3-64	230,000	
Mancos State Bank Mancos, Colorado	8-17-64	75,000	
State Bank of Greeley Greeley, Colorado	4-1-65	150,000	
Park State Bank Woodland Park, Colorado	4-19-65	100,000	
Bank of Rangely Rangely, Colorado	6-3-65	75,000	

Name of Bank	Date Established	Capital	Name Changed To:
Academy Blvd. Bank Colorado Springs, Colorado	1-18-66	250,000	
Summit County Bank Frisco, Colorado	4-19-66	75,000	
Guaranty Bank of Stapleton Denver, Colorado	7-19-66	300,000	
Yampa Valley State Bank Hayden, Colorado	11-13-67	60,000	
The Bank of Vail Vail, Colorado	11-30-67	100,000	
First State Bank of Fountain Fountain, Colorado	3-11-68	100,000	
Bank of Durango Durango, Colorado	7-22-68	250,000	
Mid-State Bank Denver, Colorado	3-20-69	250,000	
The Bank of Telluride Telluride, Colorado	7-1-69	75,000	
The Bank of Colorado Colorado Springs, Colorado	7-14-69	250,000	

Name of Bank	Date of Application	Date Opened	Capital	Remarks
Broomfield Bank Broomfield, Colorado	8-12-57	11-15-58	150,000	
Southgate State Bank Colo. Springs, Colo.	11-20-57	10-9-59	200,000	Amer. Heritage Bank and Trust Co.
Southwest State Bank Denver, Colorado	11-50-57	2-6-61	318,000	
First State Bank Westminister, Colo.	4-17-58	5-4-59	206,000	
Dolores State Bank Dolores, Colorado	7-17-58	1-5-59	75,000	
Evergreen State Bank Evergreen, Colorado	6-17-59	3-1-60	75,000	
Bank of Glenwood Glenwood Spgs., Colo.	7-16-59	4-1-63	200,000	
Arvada State Bank Arvada, Colorado	11-19-59	4-30-62	225,000	
Center State Bank Denver, Colorado	7-21-60	3-1-61	360,000	
Security Bank of Boulder Boulder, Colorado	11-17-60	11-17-60	100,000	Conversion from Commonwealth Industrial Bank
North Valley State Bk. Thornton, Colorado	2-23-61	2-25-63	250,000	
Buena Vista Bank and Trust Company Buena Vita, Colo.	8-17-61	1-2-63	80,000	
Golden State Bank Golden, Colorado	9-21-61	5-12-62	250,000	
Holyoke Bank & Trust Co. Holyoke, Colorado	10-16-61	7-23-63	150,000	
Rocky Mountain Bank and Trust Company Ft. Collins, Colo.	6-21-62	7-8-63	300,000	
Bank of Rangely Rangely, Colorado	9-10-62	6-3-65	75,000	
Bank of Fountain Valley Security, Colo.	12-12-62	7-8-63	100,000	Home Security Industrial Bank

Name of Bank	Date of Application	Date Opened	Capital	Remarks
The St. Vrain Valley Bank St. Vrain, Colorado	5-29-63	8-3-64	200,000	
State Bank of Greeley Greeley, Colorado	8-23-63	4-1-65	150,000	First Industrial Bank of Greeley
Mancos State Bank Mancos, Colorado	10-24-63	8-17-64	75,000	
Park State Bank Woodland Park, Colo.	12-10-63	4-19-65	100,000	
Academy Boulevard Bank Colo. Springs, Colo.	4-23-64	1-18-66	250,000	
First State Bank of Fountain, Colorado	6-10-64	3-11-68	100,000	
Guaranty Bank of Stapleton Denver, Colorado	10-22-64	7-19-66	300,000	
Summit County Bank Fresco, Colorado	5-24-65	4-19-66	75,000	
Bank of Durango Durango, Colorado	10-27-65	7-22-68	250,000	
Villa Italia Bank of Jefferson County Lakewood, Colorado	12-16-65	1-18-66	304,282	
Yampa Valley State Bank Hayden, Colorado	1-5-66	11-13-67	60,000	
The Bank of Vail Vail, Colorado	12-29-66	11-30-67	100,000	
Monthello State Bank Denver, Colorado	5-5-66	2-17-69	250,000	
Mid State Bank Denver, Colorado	6-8-66	3-20-69	250,000	
The Bank of Colorado Colo. Springs, Colo.	6-3-68	7-14-69	250,000	
Peoples Bank of Arapahoe County Littleton, Colorado	7-16-68			
Columbine State Bank Denver, Colorado	3-12-68			
The Bank of Telluride Telluride, Colorado	2-17-69	7-1-69	75,000	

Name of Bank	Date of Application	Date Opened	Capital	Remarks
Citizens Bank Westminster, Colorado	3-3-69			
Bank of Woodmoor Woodmoor, Colorado	10-29-69			
Eagle Valley Bank Minturn, Colorado	1-9-70			
South Jefferson County Bank Lakewood, Colorado	9-23-69			
Bank of Breckenridge Breckenridge, Colorado	3-9-70			
Georgetown State Bank Georgetown, Colorado	6-17-70			
The Citadel Bank Colo. Springs, Colorado	7-2-70			
The Bank of Littleton Littleton, Colorado	6-23-70			
First State Bank of Wiggins Wiggins, Colorado	7-17-70			

State Banks "Denied"

Name of Bank	Date of Application
Adams County Bank Thornton, Colorado	3-19-59
Thornton State Bank Thornton, Colorado	5-14-59
Park Hill Bank Denver, Colorado	5-21-60
Rangely State Bank Rangely, Colorado	2-23-61
Chaffee County Bank Buena Vista, Colorado	6-15-61
Bank of Chaffee County Hayden, Colorado	8-17-61
First State Bank Hayden, Colorado	3-12-64
Wheat Ridge Bank Wheat Ridge, Colorado	8-12-64
High Plains State Bank Springfield, Colorado	6-17-65
Exchange State Bank Edgewater, Colorado	8-29-66
Citizen State Bank Englewood, Colorado	9-4-68
Rampart Range Bank and Trust Company Rampart, Colorado	11-3-69
Boulder Valley Bank Boulder, Colorado	6-12-69
Southmoor State Bank Fort Collins, Colorado	12-1-69
Platte Valley State Bank Brighton, Colorado	12-23-69
Northglenn State Bank Northglenn, Colorado	7-2-70
Tablemesa State Bank Boulder, Colorado	7-3-70
Boulder Valley Bank Boulder, Colorado	2-3-70

STATE BANK "WITHDRAWALS"

Name of Bank	Date of Application
Stockyards State Bank Denver, Colorado	11-20-57
Buena Vista State Bank Buena Vista, Colorado	1-24-58
Greatwestern State Bank Brighton, Colorado	7-17-58
Tri-County Bank Denver, Colorado	8-21-58
Westminster State Bank Westminster, Colorado	12-5-58
First State Bank of Wiggins Wiggins, Colorado	3-19-59
Bank of Aspen Aspen, Colorado	9-10-59
Bank of Arvada Arvada, Colorado	12-17-59
Bear Creek Bank Denver, Colorado	7-21-60
Cambridge Center Bank Glendale, Colorado	7-21-60
Bank of Summit County Frisco, Colorado	2-23-61
Turner State Bank Durango, Colorado	2-23-61
Boulevard State Bank Denver, Colorado	
University Bank & Trust Co. Denver, Colorado	4-19-62
Columbia State Bank Denver, Colorado	6-20-62
Bank of Pueblo Pueblo, Colorado	7-19-62

Name of Bank	Date of Application
First Bank of Green Mountain Lakewood, Colorado	11-6-63
Capital Heights State Bank Denver, Colorado	9-2-64
Belleview State Bank Littleton, Colorado	11-19-64
Villa Italia Bank Lakewood, Colorado	1-22-65
Bank of Woodmoor Woodmoor, Colorado	12-21-65
Vail State Bank Vail, Colorado	2-21-66
Jefferson County Bank of Applewood Golden, Colorado	7-5-68

Source: State Material, Record of the State Banking Commissioner.

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COMMERCIAL BANK NATIONAL RANKING
OF FIRST NATIONAL BANK OF DENVER
BY DEPOSITS
1963-1970

Year	Ranking
1963	98
1964	99
1965	101
1966	104
1967	103
1968	103
1969	111
1970	112

Source: *American Banker* Rankings, Indicated Years.

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TOTAL DOLLAR DEPOSITS AND NATIONAL RANKING BY DEPOSITS, FIRST NATIONAL BANK OF GREELEY, COLORADO, 1960-1970

Year	Deposits (Year end)	National position
1960	20,651,945	1,194
1961	21,439,858	1,229
1962	25,961,394	1,107
1963	27,471,796	1,120
1964	28,710,740	1,149
1965	30,545,232	1,160
1966	32,331,862	1,171
1967	35,783,156	1,197
1968	36,942,596	1,305
1969	40,262,628	1,236
1970	40,862,385	1,351

Source: American Banker.

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TABLE (continued)

Year	# of Banks	National Banks	State Banks	Banking Organizations	Total Deposits	FNB Colorado Deposits	%	U.S. Deposits
1946	141	77	64	141	1,055,428	165,341	15.67	139,8
1947	142	77	65	142	1,002,524	181,510	18.11	144,9
1948	142	77	65	142	1,037,649	165,968	15.99	143,6
1949	144	77	67	144	1,042,184	162,541	15.60	145,0
1950	148	77	71	148	1,117,182	177,039	15.85	156,0
1951	150	77	73	150	1,189,437	194,729	16.37	165,3
1952	150	77	73	150	1,226,154	204,840	16.71	173,8
1953	154	77	77	154	1,341,093	200,640	14.96	177,5
1954	153	77	76	153	1,423,523	206,175	14.48	185,6
1955	156	77	79	156	1,521,912	203,546	13.37	193,2
1956	157	77	80	157	1,363,936	207,605	15.22	198,5
1957	158	76	82	158	1,694,803	210,041	12.39	202,4
1958	158	76	82	158	1,864,708	294,045	15.77	217,2
1959	161	77	84	159	1,905,434	299,318	15.71	220,5

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TABLE ' (continued)

ks	National Banks	State Banks	Banking Organizations	Total Deposits	FNB Colorado Deposits	%	U.S. Deposits	Colorado %
1	77	64	141	1,055,428	165,341	15.67	139,882	0.754
2	77	65	142	1,002,524	181,510	18.11	144,950	0.691
2	77	65	142	1,037,649	165,968	15.99	143,637	0.722
2	77	67	144	1,042,184	162,541	15.60	145,951	0.714
3	77	71	148	1,117,182	177,039	15.85	156,089	0.715
0	77	73	150	1,189,437	194,729	16.37	165,688	0.717
0	77	73	150	1,226,154	204,840	16.71	173,810	0.705
4	77	77	154	1,341,093	200,640	14.96	177,580	0.755
3	77	76	153	1,423,523	206,175	14.48	185,671	0.766
5	77	79	156	1,521,912	203,546	13.37	193,205	0.787
7	77	80	157	1,363,936	207,605	15.22	198,547	0.686
5	76	82	156	1,694,803	210,041	12.39	202,482	0.837
1	76	82	156	1,864,708	294,045	15.77	217,291	0.858
	77	84	159	1,905,434	299,318	15.71	220,514	0.864

TABLE __ (continued)

Year	# of Banks	National Banks	State Banks	Banking Organizations	Total Deposits	FNB Colorado Deposits	%	U. Dep
1931	245	113	132	245	284,619	38,631	13.57	47,
1932	209	100	109	209	226,738	40,149	17.71	38,
1933	170	73	97	170	203,736	41,475	20.36	32,
1934	169	80	89	169	235,929	49,765	21.10	36,
1935	160	81	79	160	270,398	54,603	20.19	45,
1936	156	79	77	156	304,732	63,997	21.00	50,
1937	147	78	69	147	320,342	54,107	16.89	48,
1938	144	78	66	144	303,256	58,023	19.13	51,
1939	145	78	67	145	325,873	62,419	19.15	57,
1940	146	78	68	146	344,327	67,925	19.73	65,
1941	144	78	66	144	371,452	81,076	21.83	71,
1942	140	78	62	140	433,995	111,249	25.63	89,
1943	139	77	62	139	610,771	130,487	21.36	106,
1944	140	77	63	140	734,611	149,148	20.30	128,
1945	138	77	61	138	900,438	180,033	19.99	151,

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TABLE _ (continued)

of nks	National Banks	State Banks	Banking Organizations	Total Deposits	FNB Colorado Deposits	%	U.S. Deposits	Colorado %
15	113	132	245	284,619	38,631	13.57	47,277	0.602
9	100	109	209	226,738	40,149	17.71	35,658	0.635
'0	73	97	170	203,736	41,475	20.36	32,078	0.635
9	80	89	169	235,929	49,783	21.10	36,810	0.640
0	81	79	160	270,398	54,603	20.19	45,632	0.592
6	79	77	156	304,732	63,997	21.00	50,865	0.599
7	78	69	147	320,342	54,107	16.89	48,656	0.658
4	78	66	144	303,256	58,023	19.13	51,355	0.590
5	78	67	145	325,873	62,419	19.15	57,887	0.563
	78	68	146	344,327	67,925	19.73	65,532	0.525
	78	66	144	371,452	81,076	21.83	71,512	0.519
	78	62	140	433,995	111,249	25.63	89,479	0.485
	77	62	139	610,771	130,487	21.36	106,349	0.574
	77	63	140	734,611	149,148	20.30	128,701	0.570
	77	61	138	900,438	180,033	19.99	151,089	0.595

TABLE (continued)

Year	# of Banks	National Banks	State & Private Banks	Private Banks	Total Deposits	FNB Denver Deposits	%	U.S Depo (00
1916	346	121	225		189,372	26,684	14.09	22,
1917	353	121	232		239,732	24,535	10.23	26,
1918	362	122	240		241,392	24,895	10.31	28,
1919	383	127	256		269,244	29,939	11.12	33,
1920	404	141	263	4	307,100	20,928	6.81	36,
1921	392	143	249		268,047	27,164	10.13	33,
1922	377	143	234		278,584	36,180	12.99	35,
1923	356	143	213		301,161	34,366	11.41	38,
1924	343	143	200		305,912	39,801	13.01	41,
1925	329	137	192		320,924	47,234	14.72	45,
1926	307	127	180		298,071	43,632	14.64	46,
1927	294	124	170		295,518	42,209	14.28	48,
1928	285	123	162		305,043	40,605	13.31	49,
1929	275	121	154		301,694	42,200	13.99	49,
1930	270	120	150		296,725	46,079	15.53	51,

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TABLE (continued)

National Banks	State & Private Banks	Private Banks	Total Deposits	FNB Denver Deposits	%	U.S. Deposits (000)	Colorado %
121	225		189,372	26,684	14.09	22,613	0.837
121	232		239,732	24,535	10.23	26,501	0.904
122	240		241,392	24,895	10.31	28,708	0.840
127	256		269,244	29,939	11.12	33,254	0.809
141	263	4	307,100	20,928	6.81	36,682	0.837
143	249		268,047	27,164	10.13	33,432	0.801
143	234		278,584	36,180	12.99	35,532	0.784
143	213		301,161	34,366	11.41	38,175	0.788
143	200		305,912	39,801	13.01	41,343	0.739
137	192		320,924	47,234	14.72	45,230	0.709
127	180		298,071	43,632	14.64	46,952	0.634
124	170		295,518	42,209	14.28	48,704	0.606
123	162		305,043	40,605	13.31	49,582	0.615
121	154		301,694	42,200	13.99	49,385	0.610
120	150		296,725	46,079	15.53	51,267	0.578

TABLE (continued)

Year	# of Banks	National Banks	State & Private Banks	Private Banks	Total Deposits	FNB Denver Deposits	%
1900	117	37	80		68,891	19,383	28.14
1901	122	45	81				
1902	133	48	85				
1903	140	55	85				
1904	145	59	86				
1905	159	68	91		107,601	21,897	20.35
1906	161	75	86		117,365	21,890	18.65
1907	197	97	100	56	130,405	18,206	13.96
1908	246	114	132		119,586	19,473	16.28
1909	254	114	140		133,704	23,351	17.46
1910	285	121	164		143,666	19,071	13.27
1911	312	126	186		135,403	18,867	13.93
1912	317	127	190		141,175	20,406	14.45
1913	323	126	197		144,852	18,213	12.57
1914	330	124	206	37	146,396	15,410	10.53
1915	332	122	210		150,461	18,589	12.35

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TABLE (continued)

National Banks	State & Private Banks	Private Banks	Total Deposits	FNB Denver Deposits	%	U.S. Deposits (000)	Colorado %
37	80		68,891	19,383	28.14	6,792	1.014
45	81						
48	85						
55	85						
59	86						
68	91		107,601	21,897	20.35	11,028	0.975
75	86		117,365	21,890	18.65	11,791	0.995
97	100	56	130,405	18,206	13.96	12,727	1.024
114	132		119,586	19,473	16.28	12,425	0.962
114	140		133,704	23,351	17.46	13,789	0.969
121	164		143,666	19,071	13.27	14,644	0.981
126	186		135,403	18,867	13.93	15,452	0.876
127	190		141,175	20,406	14.45	16,455	0.857
126	197		144,852	18,213	12.57	16,808	0.861
124	206	37	146,396	15,410	10.53	17,806	0.822
122	210		150,461	18,589	12.35	18,612	0.808

TABLE (continued)

ear	# of Banks	National Banks	State Banks	Private Banks	Total Deposits (000)	FNB Denver Deposits	%	U.S. Deposits (000,000)
01	139	52	29	58				
02	142	53	33	56				
03	148	47	43	58				
04	124	49	31	44				
05		46		50	31,784	8,318	25.17	5,539
06	127	42	33	52				
07		41		55				
08	117	37	32	48				
09		36		55				

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TABLE (continued)

ks	National Banks	State Banks	Private Banks	Total Deposits (000)	FNB Denver Deposits	%	U.S. Deposits (000,000)	Colorado %
	52	29	58					
	53	33	56					
	47	43	58					
	49	31	44					
	46		50	31,784	8,318	25.17	5,539	0.573
	42	33	52					
	41		55					
	37	32	48					
	36		55					

TABLE (continued)

Year	# of Banks	National Banks	State Banks	Private Banks	Total Deposits (000)	FNB Denver Deposits	%	U.S. Deposi (000,0
1876		10						
1877		13	5					
1878		13	4					
1879	42	14	6	22				
1880	45	14	6	25	3,480 [2]	1,949	56.0 [2]	2,22
1881	74	17	7	50				
1882	74	19	6	49				
1883	81	22	8	51				
1884	78	23	8	47				
1885	76	25	8	43	10,607 [2]	2,668	25.15 [2]	3,07
1886	88	27	8	53				
1887		31		65				
1888	117	34	14	69				
1889		36		73				
1890		45		70	29,262	3,859	13.19	4,57

[2] National and State Chartered Banks only.

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TABLE (continued)

National Banks	State Banks	Private Banks	Total Deposits (000)	FNB Denver Deposits	%	U.S. Deposits (000,000)	Colorado %
10							
13	5						
13	4						
14	6	22					
14	6	25	3,480 [2]	1,949	56.0 [2]	2,222	0.156
17	7	50					
19	6	49					
22	8	51					
23	8	47					
25	8	41	10,607 [2]	2,668	25.15 [2]	3,078	0.344
27	8	53					
31		65					
34	14	69					
36		73					
45		70	29,262	3,859	13.19	4,576	0.639

[2] State Chartered Banks only.

TABLE D. Ex. 28

Commercial Banks in Colorado

Year	# of Banks	National Banks	State Banks	Private Banks	Total Deposits (000)	FNB Denver Deposits	%	U. Depo (000
1862								
1863								
1864								
1865		1			[162] 1/	162	100.0 1/	
1866								
1867								
1868								
1869								
1870		3			1,667 1/	1,074	64.4 1/	7
1871								
1872								
1873								
1874								
1875		8			2,593 1/	607	23.4 1/	2,0

1/ National Banks only.

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TABLE D. Ex. 28

Commercial Banks in Colorado

National Banks	State Banks	Private Banks	Total Deposits (000)	FNB Denver Deposits	%	U.S. Deposits (000,000)	Colorado %
1			[162] [1]	162	100.0 [1]	456	0.035
3			1,667 [1]	1,074	64.4 [1]	775	0.215
8			2,593 [1]	607	23.4 [1]	2,009	0.129

[1] Banks only.

TABLE (continued)

Year	# of Banks	National Banks	State Banks	Banking Organizations	Total Colorado Deposits	FNB Colorado Deposits	%	U.S Depos
1960	164	78	86	162	2,006,322	318,957	15.90	230,5
1961	166	80	86	164	2,302,312	347,203	15.08	249,5
1962	174	88	86	170	2,344,015	360,441	15.38	263,0
1963	196	104	92	191	2,521,446	369,627	14.66	276,2
1964	210	115	95	203	2,694,647	404,406	15.01	308,4
1965	212	117	95	204	2,864,509	427,416	14.92	333,1
1966	215	117	98	206	3,007,182	441,270	15.40	355,1
1967	217	118	99	208	3,446,500	509,736	14.79	398,2
1968	221	119	102	207	3,857,762	568,986	14.75	437,4
1969	224	120	104	206	3,939,125	529,782	13.45	459,4
1970	228	126	102	198	4,332,729	589,633	13.61	528,0

* Preliminary Estimate; American Banker.

SOURCE: Poor's Bank & Finance Manuals, scattered bank data for early years in Colorado.

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TABLE (continued)

of anks	National Banks	State Banks	Banking Organizations	Total Colorado Deposits	FNB Colorado Deposits	%	U.S. Deposits	Colorado %
164	78	86	162	2,006,322	318,957	15.90	230,532	0.870
66	80	86	164	2,302,312	347,203	15.08	249,504	0.922
74	88	86	170	2,344,015	360,441	15.38	263,060	0.891
96	104	92	191	2,521,446	369,627	14.66	276,230	0.912
10	115	95	203	2,694,647	404,406	15.01	308,427	0.873
12	117	95	204	2,864,509	427,416	14.92	333,179	0.859
15	117	98	206	3,007,182	441,270	15.40	355,128	0.806
17	118	99	208	3,446,500	509,736	14.79	398,204	0.865
21	119	102	207	3,857,762	568,986	14.75	437,487	0.881
24	120	104	206	3,939,125	529,782	13.45	459,409	0.857
28	126	102	193	4,332,729	589,633	13.61	528,000 *	0.820

liminary Estimate; American Banker.

r's Bank & Finance Manuals, scattered bank data for early
rs in Colorado.

TABLE

D. Ex. 29

Deposit Concentration of 5 Largest Banking Organizations
Colorado - 1961-1970 (000)

	1961	1962	1963	1964	1965	1966	1967	1968	1969	
Denver U.S. Bancorporation	429,962 18.7%	320,852 13.7%	349,414 13.9%	364,317 13.5%	418,047 14.6%	441,047 14.6%	492,676 14.3%	557,050 14.4%	595,490 15.2%	
Colorado CNB Bankshares	179,113 7.8%	193,352 8.3%	201,515 8.0%	209,714 7.8%	216,503 7.5%	229,196 7.6%	254,646 7.4%	293,662 7.6%	303,992 7.8%	
First National Bancorporation	347,242 15.1%	376,771 16.1%	374,563 14.9%	404,406 15.0%	427,416 14.9%	441,270 14.6%	509,736 14.8%	568,986 14.7	529,782 13.5%	
Central Bank & Trust Co.	142,870 6.2%	154,459 6.6%	154,463 6.2%	163,245 6.1%	160,616 5.6%	171,536 5.7%	200,225 5.8%	216,616 5.6%	209,624 5.3%	
Western Bancorporation, Inc.	96,973 4.2	119,217 5.1%	123,750 4.9%	142,987 5.3%	157,488 5.5%	156,993 5.2%	188,160 5.5%	199,225 5.2%	212,167 5.4%	
Affiliated Bankshares of Colorado Inc.										
TOTAL	1,196,160 52.0%	1,164,651 49.7%	1,203,705 48.0%	1,284,670 47.7%	1,380,071 48.1%	1,440,245 47.6%	1,645,443 47.7%	1,835,538 47.6%	1,851,055 47.2%	2,(
Colorado	2,301,393	2,343,563	2,507,326	2,693,634	2,870,104	3,023,189	3,446,497	3,858,600	3,921,505	4,(

SOURCE: Polk's Bank & Finance Manual

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TABLE

D. Ex. 29

Deposit Concentration of 5 Largest Banking Organizations
Colorado - 1961-1970 (000)

1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1970 Including the Greeley Acquisition
429,962 18.7%	320,852 13.7%	349,414 13.9%	364,317 13.5%	418,047 14.6%	441,047 14.6%	492,676 14.3%	557,050 14.4%	595,490 15.2%	645,370 14.9%	
179,113 7.8%	193,352 8.3%	201,515 8.0%	209,714 7.8%	216,503 7.5%	229,196 7.6%	254,646 7.4%	293,662 7.6%	303,992 7.8%	315,040 7.3%	
347,242 15.1%	376,771 16.1%	374,563 14.9%	404,406 15.0%	427,416 14.9%	441,270 14.6%	509,736 14.8%	568,986 14.7	529,782 13.5%	589,633 13.6%	630,495 14.6%
142,870 6.2%	154,459 6.6%	154,463 6.2%	163,245 6.1%	160,616 5.6%	171,536 5.7%	200,225 5.8%	216,616 5.6%	209,624 5.3%	236,938 5.5%	
96,973 4.2	119,217 5.1%	123,750 4.9%	142,987 5.3%	157,488 5.5%	156,993 5.2%	188,160 5.5%	199,225 5.2%	212,167 5.4%		
									285,846 6.6%	
1,196,160 52.0%	1,164,651 49.7%	1,203,705 48.0%	1,284,670 47.7%	1,380,071 48.1%	1,440,245 47.6%	1,645,443 47.7%	1,835,538 47.6%	1,851,055 47.2%	2,072,827 47.8%	2,113,689 48.8%
2,301,393	2,343,563	2,507,326	2,693,634	2,870,104	3,023,189	3,446,497	3,858,600	3,921,505	4,332,729	4,332,729

ank & Finance Manual

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TABLE

PERCENTAGE SHARE OF DEPOSITS OF LARGEST, THREE LARGEST AND FIVE LARGEST BANKING ORGANIZATIONS BY STATE 12/31/69 COMPARED WITH YEAR END 1970 COLORADO SHARES— ACTUAL (( )) AND INCLUDING PENDING ([ ]) GREELEY MERGER

Rank Largest	State	Largest (%)	3 Largest Rank	3 Largest (%)	5 Largest Rank	5 Largest (%)
1	Nevada	61.03	3	87.26	1	97.58
2	Rhode Island	53.92	2	90.19	3	96.93
3	California	50.97	7	74.89	4	94.02
4	Arizona	46.16	1	90.89	2	97.43
5	Oregon	42.54	4	84.04	9	86.10
6	Hawaii	40.79	5	81.03	5	93.58
7	Idaho	35.25	6	77.10	10	86.01
8	Massachusetts	34.35	14	58.07	13	75.28
9	Delaware	33.90	8	74.09	6	92.80
10	Washington	33.86	11	64.16	12	77.48
11	Alaska	33.19	10	71.03	8	86.33
12	D. C.	31.25	9	71.37	7	90.63
13	Utah	30.65	13	59.72	14	72.17
14	Montana	28.32	18	48.85	21	57.91
15	Minnesota	27.28	16	54.19	19	58.35
16	Puerto Rico	24.69	15	56.89	16	62.38
17	New York	23.86	12	60.56	11	81.68
18	South Dakota	22.80	26	41.68	31	45.00
19	South Carolina	22.64	19	46.22	20	58.10
20	North Carolina	20.67	17	51.05	15	67.11
21	Illinois	20.35	21	43.81	23	50.62
22	Maryland	20.01	22	43.57	17	62.34
23	Georgia	19.75	24	42.19	25	49.81
24	Michigan	18.96	27	37.97	26	52.49
25	North Dakota	18.09	25	41.77	30	47.72
26	Connecticut	18.01	20	45.51	18	59.60
27	New Hampshire	17.31	32	32.93	33	41.29
28	Wisconsin	16.54	34	29.00	40	31.92
29	New Mexico	15.81	23	42.46	27	49.23
30	Pennsylvania	15.59	33	30.99	32	43.16
31	Wyoming	15.12	36	28.57	35	36.22
32	Maine	15.07	28	37.70	22	53.38
(33	Colorado	14.90	30	35.78	28	47.84)
[33	Colorado	14.90	30	36.72	28	47.78]
34	Vermont	15.01	29	37.64	24	49.90
35	Virginia	13.86	31	33.61	29	47.79
36	Mississippi	13.53	35	28.60	37	33.78
37	Alabama	12.49	41	23.71	41	31.90
38	Ohio	10.47	43	22.33	42	31.60
39	Nebraska	10.44	38	25.50	36	34.91
40	Kentucky	10.38	39	25.16	38	32.86

Rank Largest	State	Largest (%)	3 Largest Rank	3 Largest (%)	5 Largest Rank	5 Largest (%)
41	Louisiana	10.33	45	22.27	44	29.31
42	Indiana	9.94	40	23.91	45	28.59
43	Tennessee	9.84	37	27.46	34	39.03
44	Missouri	8.92	42	23.62	43	30.78
45	Florida	8.04	47	19.23	47	26.69
46	Texas	7.57	46	20.07	46	27.70
47	Oklahoma	7.50	44	22.31	39	32.06
48	Arkansas	7.06	41	15.60	49	21.12
49	Iowa	6.28	51	12.36	51	17.38
50	Kansas	5.58	52	11.55	52	15.68
51	West Virginia	5.43	50	13.20	50	17.99
52	New Jersey	5.38	41	14.28	48	21.40

Sources: Deposits of Commercial Banks: American Banker. Holding Companies: Federal Reserve Board, Subsidiary Banks of Bank Holding Companies, December 31, 1969. Deposits of States: FDIC Report of Call.

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TABLE

Regulation of Branch Banking by State *

Unlimited Statewide Branching	Some Branching Limitations	Hq. County or City or Less	No Branches or Facilities Only
Alaska [1]	Hawaii [16]	Alabama [23]	Arkansas [36]
Arizona [2]	Maine [17]	Georgia [24]	Colorado [37]
California [3]	Mississippi [18]	Indiana [25]	Florida [38]
Connecticut [4]	New York [19]	Kentucky [26]	Illinois [39]
Delaware [5]	Pennsylvania [20]	Louisiana [27]	Iowa [40]
Dist. of Col.[6]	Utah [21]	Massachusetts [28]	Kansas [41]
Idaho [7]	Virginia [22]	Michigan [29]	Minnesota [42]
Maryland [8]		New Hampshire [30]	Missouri [43]
Nevada [9]		New Jersey [31]	Montana [44]
North Carolina [10]		New Mexico [32]	Nebraska [45]
Oregon [11]		Ohio [33]	North Dakota [46]
Rhode Island [12]		Tennessee [34]	Oklahoma [47]
South Carolina [13]		Wisconsin [35]	South Dakota [48]
Vermont [14]			Texas [49]
Washington [15]			West Virginia [50]
			Wyoming [51]

* Where recent amendments have significantly changed a state's branch banking laws [e.g. New Jersey and Wisconsin] the above classifications were made on the basis of the previously prevailing law since the structure of the state's banking industry was dictated by the former legislation. See *Annual Report of the Federal Deposit Insurance Corporation* (1960) at 45.

[1] Alas. Stats. § 06.05.395 (1962).

[2] Ariz. Rev. Stats. § 6-223.

[3] Calif. Financial Code Ann. § 500.

[4] Conn. Gen. Stats § 36-59. (Unlimited branching by merger. Some restrictions on *de novo* branches.)

[5] Dela. Code Ann. § 5-770.

[6]

"No corporation shall engage in or do the business of a bank . . . in the District of Columbia nor shall any branch be established . . until the approval and consent of the Comptroller of the Currency is secured." D.C. Code § 26-103(b).

[7] Idaho Code § 26-1001.

[8] Ann. Code of Md., Art. 11 § 65.

[9] Nev. Rev. Stats. § 660.010.

[10] N.C. Code § 53-62.

[11] Ore. Rev. Stats. § 714.050 et seq. (Unlimited branching by merger. Some restrictions on *de novo* branches.)

[12] Gen. Laws of R.I. § 19-1-13.

[13] S.C. Code §8-57.

[14] Vermont Stats. Ann. Title 8 §§ 501-503.

[15] Rev. Code Wash. § 30.40.020. (Unlimited branching by merger. Some restrictions on *de novo* branches.)

[16]

"... No bank shall be permitted to open or maintain in the District of Honolulu, in addition to the main office of the bank, more than four branch banks ... within each of the zones described. [Zones described by geographical boundaries.]" Hawaii Revised Stats. § 403-53 (1968).

[17]

"... No savings bank shall be permitted to establish or operate a branch or agency within the county of its main office or a county adjoining that of its main office...." 9 Me. Stats. Revised § 442.

"In addition to the powers conferred upon corporations by the general corporation law, every industrial bank shall have the following powers:

....

(4) To establish branch offices ... in the manner ... prescribed for the establishment of branches .. in the case of trust companies...." 9 Me. Stats. Revised § 2345.

"... No trust company shall be permitted to establish or operate a branch or agency except within the county of its main office or a county adjoining that of its main office...." 9 Me. Stats. Revised § 1003.

[18] 21 Miss. Code, Ch. 2, Act. 5 §§ 5228, 5229.

[19] N.Y. Bank Law § 105 (McKinney Consol. Laws).

[20] 7 P.S. § 904.

[21]

"... [N]o branch bank shall be established in any city or town in which is located a bank or banks ... regularly transacting a customary banking business, unless the bank seeking to establish such branch shall take over an existing bank. No unit bank organized and operating at a point where there are other operating banks ... shall be permitted to be acquired by another bank for the purpose of establishing a branch until such bank shall have been in operation as such for a period of 5 years." Utah Code Ann. §7-3-6.

[22]

"(a) ... [T]he State Corporation Commission ... may authorize banks ... to establish branches within the limits of the city, town or county in which the parent bank is located or to establish branches elsewhere by merger with banks located in any other county, city or town.

....

(c) Notwithstanding the limitations of the foregoing paragraphs, the State Corporation Commission may ... authorize the establishment of branch banks in cities contiguous to the county or city in which the parent bank is located, and the establishment of branch banks in counties contiguous to the city in which the parent bank is located...." 6 Code of Va. § 6.1-39.

[23] 5 Code of Ala. §§ 125, & 125(1).

[24] 13 Code of Ga. §13-203.1.

25

"In all counties having a population of less than 500,000 inhabitants . . . or in counties having 3 or more cities of the second class . . . any bank or trust company may open or establish a branch bank in any city or town within the limits of the county in which the principal office of such bank or trust company is located, if there is no bank or trust company located in such city or town." 18 Ann. Ind. Stats. § 18-1707.

26

"(2) Any corporation presently or hereafter engaged in the business of banking . . . may apply to the Commissioner of Banking and Securities for permission to establish within the city in which its principal office is located and . . . within the county in which its principal office is located a branch. . . ." Ky. Revised Stats. § 287.180.

27

"All banks, savings banks, and trust companies having a capital of $100,000 or more may open and maintain a branch office or branch offices in parishes in which there are no state banks, savings banks and trust companies."

"Not more than one branch office shall be opened in any one parish other than the parish of domicile. . . ." R.S. 6.54.

Note that while it would seem that the Louisiana statute should be categorized under "Some Branching Limitations" it is more properly classified under "Hq. County or City or Less." The rationale for this classification is that there is at least one state bank in every parish in the state. Consequently, because the language of the statute prohibits branching into parishes where a state bank is already in operation, the practical effect is that a bank may only branch within the parish of its domicile (i.e., in its headquarter county).

28

". . . The corporation . . . may establish and maintain one or more branch offices (a) in the town wherein its main office is located, or (b) in other towns within the same county having no main office or branch office of a co-operative bank. . . ." Ann. Laws of Mass. C.170, § 12.

29

"Any bank . . . may . . . establish and operate a branch or branches within a village or city other than that in which it was originally chartered: Provided, that the village or city in which it is proposed to establish and operate a branch bank has its principal office or, if not in said county, then within 25 miles of said parent bank or in a contiguous county at a point more than 25 miles from the parent bank, if such county has no bank. . . ." Mich. Stats. Ann., Ch. 241A § 23.762.

Note that because there is a bank in each county in the state this statute operates to prohibit branching beyond the county in which the bank is domiciled. The language of the statute which permits branching to contiguous counties (under certain circumstances) is of no practical effect. Therefore, the statute of the state is listed in the column with the nomenclature "Hq. County or City or Less."

30

"I. With the approval of the board, any bank may (a) establish and operate one or more branch offices within the town in which its principal office is located; (b) establish and operate one or more branch offices

within any contiguous town, provided there is not in existence . . . and still operating any bank . . . located in such contiguous town; (*e*) establish and operate a branch office within any noncontiguous town any part of which is within a radius of 15 miles of its principal office, provided no bank . . . in existence . . . and still operating is located anywhere in this state within a radius of 10 miles of the location of any such proposed branch office." N.H. Revised Stats. Ann. §384-B:2.

[31] 17 N.J. Stats. Ann. § 17:9A-19.

Note that as of July, 1969, by amendment, the state has divided into 3 banking districts.

[32]

"Branches or banks authorized under the provisions hereof shall be authorized to . . . do a general banking business, provided, however, that such branches must be located in the same county in which said bank is located, in an adjoining county if there be no bank in operation in such adjoining county, or within a radius of 100 miles from said bank if there be no bank in operation in the county in which such branch is opened. . . ." N.M. Stats. § 48-2-17.

For the rationale of this classification, see *supra*, nn. 27, 29.

[33]

". . . [N]o bank shall establish a branch in any place other than that designated in its articles of incorporation as its principal place of business, except in a municipal corporation contiguous to such designated place, or in other parts of the county in which the municipal corporation in which the principal place of business of the bank is located. . . ." 11 Ohio Revised Code § 1111.03.

For rationale of this classification, see *supra*, nn. 27, 29.

[34] 45 Tenn. Code Ann. § 45-211.

[35]

"(1)(f) . . . [N]o bank shall establish more than one office of deposit and discount or, except as provided under * * * pars. (i) and (j), establish branch offices, branch banks or bank stations. . . .

(i) To establish and maintain upon approval . . ., a bank station, . . . [exclusively to perform limited services] in any town completely surrounded by outlying waters and having no bank or place where such banking may be done in the town. . . .

(j) To establish and maintain a branch bank, upon approval by the commissioner . . . in a municipality other than that in which the home bank is located, if such municipality has no bank or branch bank at the time of the application and if no bank or branch bank is located within a radius of three miles from the proposed site of the branch. . . . A branch bank established under this paragraph shall be located in the same county in which the home bank is located or in a contiguous county if the location of such branch bank is no more than 25 miles from the home bank." W.S.A. § 221.04.

[36] Ark. Stats. § 67-340 et seq.

[37] *Id.*; Colo. Revised Stats. (1963) § 14-3-1.

[38] Fla. Stats. § 659.06.

[39] *Id.*; S.H. Ill. A. Ch. 16 1/2 § 106.

[40]

"No banking institution shall open or maintain any branch bank. However, as may be authorized by and subject to the jurisdiction of the banking department any banking institution may establish an office for the sole and only purpose of receiving deposits and paying checks and performing such other clerical and routine duties not inconsistent with this section. . . ." Iowa Code Ann. § 528.51.

[41] K.S.A., 1968 Supp. 2-129, § 9-1111.

[42] M.S.A., § 48.34.

[43]

"1. Every bank and trust company created under the laws of this state may:

(1) Conduct the business of [banking] . . .; provided, however, that no bank or trust company shall maintain in this state a branch bank or trust company, or receive deposits or pay checks except in its own banking house or as provided in section 362.107. . . ." V.A.M.S. § 362.105.

V.A.M.S. § 362.107 applies to the establishment and operation of automobile banking service at *one* conveniently located facility detached from its banking house.

[44]

"No bank shall maintain any branch bank, receive deposits or pay checks, except over the counter of and in its own banking house. . . .

With the prior approval of the superintendent of banks, any bank business in this state may establish and maintain not more than one (1) detached drive-in and walk-up facility. . . ." Revised Codes of Mont. § 5-1028.

[45] Neb. R.S. 1943 (1967 Cumulative Supp) § 8-157.

[46]

6 N.D. Century Code §§ 6-03-13.1—6-03-14 provide that the state is not committed in any manner to a policy of permitting branch banking; however, upon compliance of specified conditions, separate drive-in facilities and paying and receiving stations may be authorized.

[47] 6 Okla. Stats. Ann. §§ 501, 2061.

[48]

"Branch banks may be established by a consolidating with or purchasing the assets of another bank. Except by purchase of or consolidation with *all* existing banks located in such town or city, no branch bank shall be established in any city or town of less than 3,000 population where there is an existing national or state bank regularly transacting banking business, or in any city of more than 3,000 population where there are two or more existing national or state banks, regularly transacting banking business." (Emphasis added.) 51 S.D. Compiled Laws (1967) Ann. § 51-1-1.

"No branch office shall be operated in any city or town after any state or national bank has received authority to operate in such town or city. . . ." 51 S.D. Compiled Laws (1967) Ann. § 51-8-2.

"Where a bank operates one or more branch banks within the same

municipality in which the bank is operating, no detached drive-in facility for any such branch banks shall be constructed or operated." 51 S.D. Compiled Laws (1967) Ann. § 51-8-7.

See also 51 S.D. Compiled Laws (1967) Ann. §§ 51-8-11, 51-8-12.

[49] Vernon's Ann. Civ. St. art. 342-903.

[50] W. Va. Code § 31-4-9.

[51] See Wyo. Stats. § 13-47 et seq. Wyoming law does not specifically cover this subject but it has been interpreted to preclude branching.

DX 32

Total Deposits of Insured Commercial Banks and Deposits of Five Largest Banking Organizations, December 31, 1969
(Thousands of Dollars)

	Total Deposits	Five Largest Banking Organizations Deposits	% of Total
States with unlimited statewide branching:			
Total, 14 states & D.C.	82,099,965	70,075,286	85.35
Alaska	484,299	418,113	86.33
Arizona	3,110,698	3,030,785	97.43
California	43,501,496	40,899,972	94.01
Connecticut	4,605,371	2,744,860	59.60
Delaware	1,204,726	1,117,965	92.79
District of Columbia	2,691,883	2,439,745	90.63
Idaho	1,234,935	1,062,176	86.01
Maryland	4,655,442	2,902,120	62.33
Nevada	977,958	973,851	97.58
North Carolina	6,437,944	4,320,421	67.11
Oregon	3,735,656	3,216,230	86.09
Rhode Island	1,372,043	1,329,949	96.93
South Carolina	2,141,337	1,244,135	58.10
Vermont	785,929	392,164	49.89
Washington	5,140,248	3,982,800	77.48

	Total Deposits	Five Largest Banking Organizations Deposits	% of Total
States permitting only branches in headquarters county or city or less and states with no branches or with facilities only:			
Total, 29 states	231,468,677	87,376,552	37.74
Alabama	4,428,120	1,412,498	31.89
Arkansas	2,780,141	587,103	21.11
Colorado	3,927,496	1,839,023	46.82
Florida	12,297,018	3,282,195	26.69
Georgia	6,643,347	3,308,852	49.80
Illinois	30,986,192	15,683,909	50.61
Indiana	10,141,449	2,899,371	28.58
Iowa	6,167,635	1,071,840	17.37
Kansas	4,639,159	727,606	15.68
Kentucky	4,917,576	1,616,142	32.86
Louisiana	5,840,700	1,712,142	29.31
Massachusetts	9,457,782	7,119,610	75.27
Michigan	19,185,307	10,070,199	52.48
Minnesota	8,325,173	4,857,613	58.34
Missouri	10,848,503	3,339,621	30.78
Montana	1,485,554	860,236	57.90
Nebraska	3,323,418	1,160,420	34.91
New Hampshire	824,239	340,305	41.28
New Jersey	13,686,346	2,929,380	21.40
New Mexico	1,298,022	638,960	49.23
North Dakota	1,326,363	632,958	47.72
Ohio	20,343,435	6,427,745	31.59
Oklahoma	4,877,721	1,563,951	32.06
South Dakota	1,439,625	647,894	45.00
Tennessee	6,593,376	2,573,390	39.02
Texas	23,721,775	6,570,154	27.69
West Virginia	2,495,655	448,995	17.99
Wisconsin	8,726,974	2,786,174	31.92
Wyoming	740,576	268,266	36.22

Sources: Bank Operating Statistics, 1969, FDIC. Polk's Bank Directory, March 1970.

DX 33

AVERAGE NUMBER OF COMMERCIAL BANKS PER CITY IN CITIES OF 5,000 TO 49,999 POPULATION IN THE UNITED STATES AND IN STATES WITH INDICATED BRANCHING REGULATIONS, 1970 [1]

	Cities with 1970 Population Between			
	5,000 and 9,999	10,000 and 14,999	15,000 and 29,999	30,000 and 49,999
Total United States	2.01	2.43	2.90	3.50
1. States with unlimited statewide branching	2.21	2.90	3.46	3.83
2. States permitting only branches in headquarters county or city or less and states with no branches or with facilities only	1.93	2.29	2.72	3.40
Percent average by which Group "1" states exceed Group "2" states	+14.5	+26.6	+27.2	+12.6

[1] Excludes cities in Standard Metropolitan Statistical Areas.

AVERAGE NUMBER OF COMMERCIAL BANKS PER CITY IN CITIES OF 5,000 TO 9,999 POPULATION IN THE UNITED STATES AND IN STATES WITH INDICATED BRANCHING REGULATIONS, 1970 [1]

	Average number of banks per city	Total number of cities	Number of Cities with: No banks	1 bank	2 banks	3 banks	4 banks	5 or more
Total United States	2.01	801	6	108	571	107	9	—
% of total		100.0	.7	13.5	71.3	13.4	1.1	—
States with unlimited statewide branching:								
Total, 14 states	2.21	126	1	11	76	36	2	—
% of total		100.0	.8	8.7	60.3	28.6	1.6	—
Alaska	2.50	2	—	—	1	1	—	—
Arizona	2.00	9	—	2	5	2	—	—
California	2.35	23	1	3	8	9	2	—
Connecticut	2.00	4	—	1	2	1	—	—
Delaware	2.00	2	—	—	2	—	—	—
Idaho	2.75	4	—	—	1	3	—	—
Maryland	2.50	2	—	—	1	1	—	—
Nevada	2.00	1	—	—	1	—	—	—
North Carolina	2.14	29	—	1	23	5	—	—
Oregon	2.50	8	—	—	4	4	—	—
Rhode Island	2.00	2	—	1	—	1	—	—
South Carolina	2.19	21	—	—	17	4	—	—
Vermont	2.29	7	—	1	3	3	—	—
Washington	2.00	12	—	2	8	2	—	—

[1] Excludes cities in Standard Metropolitan Statistical Areas.

	Average number of banks per city	Total number of cities	Number of Cities with: No banks	1 bank	2 banks	3 banks	4 banks	5 or more
States permitting only branches in headquarters county or city or less and states with no branches or with facilities only:								
Total, 29 states	1.93	564	5	85	423	47	4	—
% of total		100.0	.9	15.1	75.0	8.3	.7	—
Alabama	2.13	23	—	2	17	3	1	—
Arkansas	2.06	18	—	—	17	1	—	—
Colorado	2.00	8	—	—	8	—	—	—
Florida	1.43	28	2	13	12	1	—	—
Georgia	2.05	21	—	1	18	2	—	—
Illinois	1.89	37	1	6	26	4	—	—
Indiana	1.95	21	—	2	18	1	—	—
Kansas	2.62	8	—	—	4	3	1	—
Kentucky	2.25	20	—	1	14	4	1	—
Iowa	2.06	33	—	1	29	3	—	—
Louisiana	2.00	24	—	2	20	2	—	—
Massachusetts	2.11	9	—	2	5	1	1	—
Michigan	1.70	27	—	8	19	—	—	—
Minnesota	1.90	21	—	3	17	1	—	—
Missouri	2.17	23	—	1	17	5	—	—
Montana	2.00	5	—	—	5	—	—	—
Nebraska	2.07	15	—	—	14	1	—	—
New Hampshire	1.37	8	—	5	3	—	—	—
New Jersey	1.24	21	—	16	5	—	—	—
New Mexico	1.75	8	1	—	7	—	—	—
North Dakota	2.50	4	—	—	2	2	—	—
Ohio	1.90	30	—	8	17	5	—	—
Oklahoma	1.96	24	—	1	23	—	—	—
South Dakota	2.00	4	—	—	4	—	—	—
Tennessee	2.00	24	—	2	20	2	—	—
Texas	1.89	57	—	9	45	3	—	—
West Viginia	1.90	10	1	—	8	1	—	—
Wisconsin	2.00	27	—	2	23	2	—	—
Wyoming	2.00	6	—	—	6	—	—	—

Sources: 1970 Census of Population, Advance Report, Final Population Count, Bureau of the Census, U.S. Department of Commerce. American Bank Directory, Spring Edition, 1970. Operating Banking Offices, January 1, 1970, FDIC. Standard Metropolitan Statistical Areas of the United States, 1967, Bureau of the Budget, Executive Office of the President.

AVERAGE NUMBER OF COMMERCIAL BANKS PER CITY IN CITIES OF 10,000 TO 14,999 POPULATION IN THE UNITED STATES AND IN STATES WITH INDICATED BRANCHING REGULATIONS, 1970 [1]

	Average number of banks per city	Total number of cities	Number of Cities with: No banks	1 bank	2 banks	3 banks	4 banks	5 or more
Total United States	2.43	288	1	11	159	100	14	3
% of total		100.0	.3	3.8	55.2	34.7	4.9	1.1
States with unlimited statewide branching:								
Total, 14 states		50	—	1	13	27	8	1
% of total		100.0		2.0	26.0	54.0	16.0	2.0
Alaska	4.00	1	—	—	—	—	1	—
Arizona	2.67	3	—	—	1	2	—	—
California	3.44	9	—	—	2	2	4	1 [2]
Connecticut	2.00	3	—	1	1	1	—	—
Delaware	—	—	—	—	—	—	—	—
Idaho	3.00	2	—	—	—	2	—	—
Maryland	4.00	1	—	—	—	—	1	—
Nevada	—	—	—	—	—	—	—	—
North Carolina	2.89	9	—	—	2	6	1	—
Oregon	2.78	9	—	—	2	7	—	—
Rhode Island	4.00	1	—	—	—	—	1	—
South Carolina	2.60	5	—	—	2	3	—	—
Vermont	3.00	1	—	—	—	1	—	—
Washington	2.50	6	—	—	3	3	—	—
States permitting only branches in headquarters county or city or less and states with no branches or with facilities only:								
Total, 29 states	2.29	199	1	10	121	64	3	—
% of total		100.0	.5	5.0	60.8	32.2	1.5	—
Alabama	2.33	9	—	—	6	3	—	—
Arkansas	2.00	8	—	1	6	1	—	—
Colorado	3.00	2	—	—	—	2	—	—
Florida	2.20	10	1	—	5	4	—	—
Georgia	2.36	11	—	—	7	4	—	—
Illinois	2.12	8	—	1	5	2	—	—
Indiana	2.37	8	—	—	6	1	—	—
Iowa	2.60	5	—	—	2	3	—	—
Kansas	2.45	11	—	—	6	5	—	—
Kentucky	2.37	8	—	—	5	3	—	—
Louisiana	2.29	7	—	—	5	2	—	—
Massachusetts	1.86	7	—	1	6	—	—	—
Michigan	1.67	6	—	2	4	—	—	—
Minnesota	3.00	8	—	—	—	8	—	—
Missouri	2.25	8	—	—	6	2	—	—

[1] Excludes cities in Standard Metropolitan Statistical Areas.
[2] 5 banks.

	Average number of banks per city	Total number of cities	Number of Cities with: No banks	1 bank	2 banks	3 banks	4 banks	5 or more
Montana	2.50	2	—	—	1	1	—	—
Nebraska	3.00	2	—	—	—	2	—	—
New Hampshire	1.50	2	—	1	1	—	—	—
New Jersey	1.75	8	—	2	6	—	—	—
New Mexico	2.00	3	—	—	3	—	—	—
North Dakota	2.33	3	—	—	2	1	—	—
Ohio	2.29	14	—	—	11	2	1	—
Oklahoma	2.25	4	—	—	3	1	—	—
South Dakota	2.40	5	—	—	3	2	—	—
Tennessee	2.56	9	—	—	4	5	—	—
Texas	2.21	19	—	1	13	5	—	—
West Virginia	2.50	2	—	1	—	—	1	—
Wisconsin	2.50	8	—	—	4	4	—	—
Wyoming	2.50	2	—	—	1	1	—	—

Sources: 1970 Census of Population, Advance Report, Final Population Count, Bureau of the Census, U.S. Department of Commerce. American Bank Directory, Spring Edition, 1970. Operating Banking Offices, January 1, 1970, FDIC. Standard Metropolitan Statistical Areas of the United States, 1967, Bureau of the Budget, Executive Office of the President.

AVERAGE NUMBER OF COMMERCIAL BANKS PER CITY IN CITIES OF 15,000 TO 29,999 POPULATION IN THE UNITED STATES AND IN STATES WITH INDICATED BRANCHING REGULATIONS, 1970 [1]

	Average number of banks per city	Total number of cities	Number of Cities with: No banks	1 bank	2 banks	3 banks	4 banks	5 or more
otal United States	2.90	286	—	6	89	133	46	12
% of total		100.0		2.1	31.1	46.5	16.1	4.2
ates with unlimited statewide branching:								
Total, 14 states	3.46	54	—	—	6	24	18	6
% of total		100.0	—	—	11.1	44.5	33.3	11.1
Alaska	—	—	—	—	—	—	—	—
Arizona	3.50	2	—	—	—	1	1	—
California	4.64	11	—	—	—	—	5	6 [2]
Connecticut	3.00	1	—	—	—	1	—	—
Delaware	4.00	1	—	—	—	—	1	—
Idaho	3.25	4	—	—	—	3	1	—
Maryland	3.67	3	—	—	—	1	2	—
Nevada	3.00	1	—	—	—	1	—	—
North Carolina	3.00	14	—	—	3	8	3	—
Oregon	3.33	3	—	—	—	2	1	—
Rhode Island	—	—	—	—	—	—	—	—
South Carolina	3.50	4	—	—	—	2	2	—
Vermont	3.00	1	—	—	—	1	—	—
Washington	2.89	9	—	—	3	4	2	—
tes permitting only branches in headquarters county city or less and states with no branches or with ilities only:								
Total, 29 states	2.72	187	—	4	68	94	18	3
% of total		100.0	—	2.1	36.4	50.3	9.6	1.6
Alabama	2.80	5	—	—	3	—	2	—
Arkansas	2.60	5	—	—	3	1	1	—
Colorado	3.00	2	—	—	—	2	—	—
Florida	3.50	8	—	—	1	4	1	2 [3]
Georgia	2.78	9	—	—	3	5	1	—
Illinois	2.54	13	—	—	6	7	—	—
Indiana	2.00	8	—	—	8	—	—	—
Iowa	2.50	4	—	—	2	2	—	—
Kansas	3.11	9	—	—	—	8	1	—
Kentucky	2.25	4	—	—	3	1	—	—
Louisiana	3.00	6	—	—	—	6	—	—
Massachusetts	2.33	6	—	—	4	2	—	—
Michigan	2.62	8	—	—	4	3	1	—
Minnesota	3.00	5	—	—	1	3	1	—

[1] Excludes cities in Standard Metropolitan Statistical Areas.
[2] Five cities with 5 banks and 1 city with 6 banks.
[3] 5 banks.

	Average number of banks per city	Total number of cities	Number of Cities with: No banks	1 bank	2 banks	3 banks	4 banks	5 or more
Missouri	3.25	4	—	—	—	3	1	—
Nebraska	3.17	6	—	—	1	3	2	1
New Hampshire	2.60	5	—	—	2	3	—	—
New Jersey	1.70	10	—	4	5	1	—	—
New Mexico	2.60	5	—	—	2	3	—	—
North Dakota	3.00	1	—	—	—	1	—	—
Ohio	2.73	15	—	—	5	9	1	—
Oklahoma	2.75	8	—	—	2	6	—	—
South Dakota	3.00	1	—	—	—	1	—	—
Tennessee	3.17	6	—	—	1	3	2	—
Texas	2.53	19	—	—	9	10	—	—
West Virginia	3.20	5	—	—	1	2	2	—
Wisconsin	2.60	5	—	—	2	3	—	—
Wyoming	3.00	1	—	—	—	1	—	—
Montana	4.00	4	—	—	—	1	2	1[3]

[3] 5 banks.

Sources: 1970 Census of Population, Advance Report, Final Population Count, Bureau of the Census, U.S. Department of Commerce. American Bank Directory, Spring Edition, 1970. Operating Banking Offices, January 1, 1970, FDIC. Standard Metropolitan Statistical Areas of the United States, 1967, Bureau of the Budget, Executive Office of the President.

AVERAGE NUMBER OF COMMERCIAL BANKS PER CITY IN CITIES OF 30,000 TO 49,999 POPULATION IN THE UNITED STATES AND IN STATES WITH INDICATED BRANCHING REGULATIONS, 1970 [1]

	Average number of banks per city	Total number of cities	Number of Cities with: No banks	1 bank	2 banks	3 banks	4 banks	5 or more
Total United States	3.50	126	—	1	16	59	31	19
% of total		100.0	—	.8	12.7	46.8	24.6	15.1
States with unlimited statewide branching:								
Total, 14 states	3.83	18	—	—	1	5	8	4
% of total		100.0	—	—	5.6	27.8	44.4	22.2
Alaska	4.00	1	—	—	—	—	1	—
Arizona	—	—	—	—	—	—	—	—
California	4.00	1	—	—	—	—	1	—
Connecticut	2.50	2	—	—	1	1	—	—
Delaware	—	—	—	—	—	—	—	—
Idaho	4.00	2	—	—	—	—	2	—
Maryland	4.00	1	—	—	—	—	1	—
Nevada	—	—	—	—	—	—	—	—
North Carolina	3.67	3	—	—	—	2	—	1 [2]
Oregon	3.00	1	—	—	—	1	—	—
Rhode Island	5.00	1	—	—	—	—	—	1 [2]
South Carolina	4.50	2	—	—	—	—	1	1 [2]
Vermont	3.00	1	—	—	—	1	—	—
Washington	4.33	3	—	—	—	—	2	1 [2]
States permitting only branches in headquarters county or city or less and states with no branches or with facilities only:								
Total, 29 states	3.40	92	—	1	14	47	17	13
% of total		100.0	—	1.1	15.2	51.1	18.5	14.1
Alabama	3.00	4	—	—	—	4	—	—
Arkansas	2.00	2	—	—	2	—	—	—
Colorado	5.00	2	—	—	—	—	1	1 [3]
Florida	5.33	6	—	—	—	2	—	4 [4]
Georgia	3.33	3	—	—	—	2	1	—
Illinois	3.60	5	—	—	1	1	2	1 [2]
Indiana	2.33	6	—	—	4	2	—	—
Iowa	3.00	6	—	—	—	6	—	—
Kansas	4.00	3	—	—	—	—	3	—
Kentucky	3.00	2	—	—	—	2	—	—
Louisiana	3.33	3	—	—	—	2	1	—
Massachusetts	2.00	1	—	—	1	—	—	—

[1] Excludes cities in Standard Metropolitan Statistical Areas.

[2] 5 banks.

[3] 6 banks.

[4] 2 cities with 5 banks, 1 city with 6 banks, and 1 city with 10 banks.

	Average number of banks per city	Total number of cities	Number of Cities with: No banks	1 bank	2 banks	3 banks	4 banks	5 or more
Michigan	2.33	3	—	—	2	1	—	—
Minnesota	4.00	2	—	—	—	—	2	—
Missouri	3.00	2	—	—	—	2	—	—
Montana	—	—	—	—	—	—	—	—
Nebraska	3.00	1	—	—	—	1	—	—
New Hampshire	2.00	1	—	—	1	—	—	—
New Jersey	2.40	5	—	1	1	3	—	—
New Mexico	2.67	3	—	—	1	2	—	—
North Dakota	4.00	3	—	—	—	—	3	—
Ohio	3.17	6	—	—	—	5	1	—
Oklahoma	3.33	3	—	—	—	2	1	—
South Dakota	3.00	1	—	—	—	1	—	—
Tennessee	3.25	4	—	—	—	3	1	—
Texas	3.40	5	—	—	1	2	1	1[2]
West Virginia	6.00	1	—	—	—	—	—	1[3]
Wisconsin	4.14	7	—	—	—	4	—	3
Wyoming	5.00	2	—	—	—	—	—	2[2]

[2] 5 banks.

[3] 6 banks.

Sources: 1970 Census of Population, Advance Report, Final Population Count, Bureau of the Census, U.S. Department of Commerce. American Bank Directory, Spring Edition, 1970. Operating Banking Offices, January 1, 1970, FDIC. Standard Metropolitan Statistical Areas of the United States, 1967, Bureau of the Budget, Executive Office of the President.

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AVERAGE NUMBER OF COMMERCIAL BANKING ORGANIZATIONS PER CITY IN CITIES OF 5,000 TO 49,999 POPULATION IN THE UNITED STATES AND IN STATES WITH INDICATED BRANCHING REGULATIONS, 1970 [1]

	Cities with 1970 Population Between			
	5,000 and 9,999	10,000 and 14,999	15,000 and 29,999	30,000 and 49,999
Total United States	1.99	2.41	2.83	3.29
1. States with unlimited statewide branching	2.21	2.90	3.46	3.83
2. States permitting only branches in headquarters county or city or less and states with no branches or with facilities only	1.91	2.26	2.63	3.12
Percent average by which Group "1" states exceed Group "2" states	+15.7	+28.3	+31.6	+22.8

[1] Excludes cities in Standard Metropolitan Statistical Areas.

AVERAGE NUMBER OF COMMERCIAL BANKING ORGANIZATIONS PER CITY IN CITIES OF 5,000 TO 9,999 POPULATION IN THE UNITED STATES AND IN STATES WITH INDICATED BRANCHING REGULATIONS, 1970 [1]

	Average number of banks per city	Total number of cities	Number of Cities with: No banks	1 bank	2 banks	3 banks	4 banks	5 or more
Total United States	1.99	801	6	111	575	101	8	—
% of total		100.0	.7	13.9	71.8	12.6	1.0	—
States with unlimited statewide branching:								
Total, 14 states	2.21	126	1	11	77	35	2	—
% of total		100.0	.8	8.7	61.1	27.8	1.6	—
Alaska	2.50	2	—	—	1	1	—	—
Arizona	2.00	9	—	2	5	2	—	—
California	2.35	23	1	3	8	9	2	—
Connecticut	2.00	4	—	1	2	1	—	—
Delaware	2.00	2	—	—	2	—	—	—
Idaho	2.75	4	—	—	1	3	—	—
Maryland	2.50	2	—	—	1	1	—	—
Nevada	2.00	1	—	—	1	—	—	—
North Carolina	2.14	29	—	1	23	5	—	—
Oregon	2.50	8	—	—	4	4	—	—
Rhode Island	2.00	2	—	1	—	1	—	—
South Carolina	2.14	21	—	—	18	3	—	—
Vermont	2.29	7	—	1	3	3	—	—
Washington	2.00	12	—	2	8	2	—	—

[1] Excludes cities in Standard Metropolitan Statistical Areas.

	Average number of banks per city	Total number of cities	Number of Cities with: No banks	1 bank	2 banks	3 banks	4 banks	5 or more
States permitting only branches in headquarters county or city or less and states with no branches or with facilities only:								
Total, 29 states	1.91	564	5	88	425	42	4	—
% of total		100.0	.9	15.6	75.4	7.4	.7	—
Alabama	2.13	23	—	2	17	3	1	—
Arkansas	2.06	18	—	—	17	1	—	—
Colorado	2.00	8	—	—	8	—	—	—
Florida	1.39	28	2	14	11	1	—	—
Georgia	2.05	21	—	1	18	2	—	—
Illinois	1.89	37	1	6	26	4	—	—
Indiana	1.95	21	—	2	18	1	—	—
Iowa	2.06	33	—	1	29	3	—	—
Kansas	2.62	8	—	—	4	3	1	—
Kentucky	2.20	20	—	2	13	4	1	—
Louisiana	2.00	24	—	2	20	2	—	—
Massachusetts	2.11	9	—	2	5	1	1	—
Michigan	1.70	27	—	8	19	—	—	—
Minnesota	1.86	21	—	3	18	—	—	—
Missouri	2.17	23	—	1	17	5	—	—
Montana	2.00	5	—	—	5	—	—	—
Nebraska	2.00	15	—	—	15	—	—	—
New Hampshire	1.37	8	—	5	3	—	—	—
New Jersey	1.24	21	—	16	5	—	—	—
New Mexico	1.75	8	1	—	7	—	—	—
North Dakota	2.50	4	—	—	2	2	—	—
Ohio	1.90	30	—	8	17	5	—	—
Oklahoma	1.96	24	—	1	23	—	—	—
South Dakota	2.00	4	—	—	4	—	—	—
Tennessee	2.00	24	—	2	20	2	—	—
Texas	1.84	57	—	10	46	1	—	—
West Virginia	1.90	10	1	—	8	1	—	—
Wisconsin	1.96	27	—	2	24	1	—	—
Wyoming	2.00	6	—	—	6	—	—	—

Sources: 1970 Census of Population, Advance Report, Final Population Count, Bureau of the Census, U.S. Department of Commerce. American Bank Directory, Spring Edition, 1970. Operating Banking Offices, January 1, 1970, FDIC. Standard Metropolitan Statistical Areas of the United States, 1967, Bureau of the Budget, Executive Office of the President. Subsidiary Banks of Bank Holding Companies, Dec. 31, 1969, Federal Reserve.

AVERAGE NUMBER OF COMMERCIAL BANKING ORGANIZATIONS PER CITY IN CITIES OF 10,000 TO 14,999 POPULATION IN THE UNITED STATES AND IN STATES WITH INDICATED BRANCHING REGULATIONS, 1970 [1]

	Average number of banks per city	Total number of cities	Number of Cities with: No banks	1 bank	2 banks	3 banks	4 banks	5 or more
Total United States	2.41	288	1	12	164	94	14	3
% of total		100.0	.3	4.2	56.9	32.6	4.9	1.1
States with unlimited statewide branching:								
Total, 14 states	2.90	50	—	1	13	27	8	1
% of total		100.0		2.0	26.0	54.0	16.0	2.0
Alaska	4.00	1	—	—	—	—	1	—
Arizona	2.67	3	—	—	1	2	—	—
California	3.44	9	—	—	2	2	4	1[2]
Connecticut	2.00	3	—	1	1	1	—	—
Delaware	—	—	—	—	—	—	—	—
Idaho	3.00	2	—	—	—	2	—	—
Maryland	4.00	1	—	—	—	—	1	—
Nevada	—	—	—	—	—	—	—	—
North Carolina	2.89	9	—	—	2	6	1	—
Oregon	2.78	9	—	—	2	7	—	—
Rhode Island	4.00	1	—	—	—	—	1	—
South Carolina	2.60	5	—	—	2	3	—	—
Vermont	3.00	1	—	—	—	1	—	—
Washington	2.50	6	—	—	3	3	—	—

[1] Excludes cities in Standard Metropolitan Statistical Areas.

[2] Five banks.

	Average number of banks per city	Total number of cities	Number of Cities with: No banks	1 bank	2 banks	3 banks	4 banks	5 or more
Total, 29 states	2.26	199	1	11	125	59	3	—
% of total		100.0	.5	5.5	62.8	29.7	1.5	—
Alabama	2.33	9	—	—	6	3	—	—
Arkansas	1.87	8	—	1	7	—	—	—
Colorado	3.00	2	—	—	—	2	—	—
Florida	1.90	10	1	1	6	2	—	—
Georgia	2.36	11	—	—	7	4	—	—
Illinois	2.12	8	—	1	5	2	—	—
Indiana	2.37	8	—	—	6	1	1	—
Iowa	2.60	5	—	—	2	3	—	—
Kansas	2.45	11	—	—	6	5	—	—
Kentucky	2.37	8	—	—	5	3	—	—
Louisiana	2.29	7	—	—	5	2	—	—
Massachusetts	1.86	7	—	1	6	—	—	—
Michigan	1.67	6	—	2	4	—	—	—
Minnesota	3.00	8	—	—	—	8	—	—
Missouri	2.25	8	—	—	6	2	—	—
Montana	2.50	2	—	—	1	1	—	—
Nebraska	2.00	2	—	—	2	—	—	—
New Hampshire	1.50	2	—	1	1	—	—	—
New Jersey	1.75	8	—	2	6	—	—	—
New Mexico	2.00	3	—	—	3	—	—	—
North Dakota	2.33	3	—	—	2	1	—	—
Ohio	2.29	14	—	—	11	2	1	—
Oklahoma	2.25	4	—	—	3	1	—	—
South Dakota	2.40	5	—	—	3	2	—	—
Tennessee	2.56	9	—	—	4	5	—	—
Texas	2.21	19	—	1	13	5	—	—
West Virginia	2.50	2	—	1	—	—	1	—
Wisconsin	2.50	8	—	—	4	4	—	—
Wyoming	2.50	2	—	—	1	1	—	—

Sources: 1970 Census of Population, Advance Report, Final Population Count, Bureau of the Census, U.S. Department of Commerce. American Bank Directory, Spring Edition, 1970. Operating Banking Offices, January 1, 1970, FDIC. Standard Metropolitan Statistical Areas of the United States, 1967, Bureau of the Budget, Executive Office of the President. Subsidiary Banks of Bank Holding Companies, Dec. 31, 1969, Federal Reserve.

AVERAGE NUMBER OF COMMERCIAL BANKING ORGANIZATIONS PER CITY IN CITIES OF 15,000 TO 29,999 POPULATION IN THE UNITED STATES AND IN STATES WITH INDICATED BRANCHING REGULATIONS, 1970 [1]

	Average number of banks per city	Total number of cities	Number of Cities with: No banks	1 bank	2 banks	3 banks	4 banks	5 or more
Total United States	2.83	286	—	6	97	133	41	9
% of total		100.0		2.1	33.9	46.5	14.3	3.2
States with unlimited statewide branching:								
Total, 14 states	3.46	54	—	—	6	24	18	6
% of total		100.0	—	—	11.1	44.5	33.3	11.1
Alaska	—	—	—	—	—	—	—	—
Arizona	3.50	2	—	—	—	1	1	—
California	4.64	11	—	—	—	—	5	6 [2]
Connecticut	3.00	1	—	—	—	1	—	—
Delaware	4.00	1	—	—	—	—	1	—
Idaho	3.25	4	—	—	—	3	1	—
Maryland	3.67	3	—	—	—	1	2	—
Nevada	3.00	1	—	—	—	1	—	—
North Carolina	3.00	14	—	—	3	8	3	—
Oregon	3.33	3	—	—	—	2	1	—
Rhode Island	—	—	—	—	—	—	—	—
South Carolina	3.50	4	—	—	—	2	2	—
Vermont	3.00	1	—	—	—	1	—	—
Washington	2.89	9	—	—	3	4	2	—

[1] Excludes cities in Standard Metropolitan Statistical Areas.

[2] Five cities with 5 banking organizations and 1 city with 6 banking organizations.

	Average number of banks per city	Total number of cities	Number of Cities with: No banks	1 bank	2 banks	3 banks	4 banks	5 or more
States permitting only branches in headquarters county or less and states with no branches or with facilities only:								
Total, 29 states	2.63	187	—	4	76	93	14	
% of total		100.0	—	2.1	40.7	49.7	7.5	
Alabama	2.60	5	—	—	3	1	1	—
Arkansas	2.40	5	—	—	3	2	—	—
Colorado	2.50	2	—	—	1	1	—	—
Florida	3.00	8	—	—	1	6	1	—
Georgia	2.67	9	—	—	3	6	—	—
Illinois	2.31	13	—	—	9	4	—	—
Indiana	2.00	8	—	—	8	—	—	—
Iowa	2.50	4	—	—	2	2	—	—
Kansas	3.11	9	—	—	—	8	1	—
Kentucky	2.25	4	—	—	3	1	—	—
Louisiana	3.00	6	—	—	—	6	—	—
Massachusetts	2.33	6	—	—	4	2	—	—
Michigan	2.62	8	—	—	4	3	1	—
Minnesota	2.80	5	—	—	1	4	—	—
Missouri	3.25	4	—	—	—	3	1	—
Montana	3.50	4	—	—	—	2	2	—
Nebraska	3.00	6	—	—	2	2	2	—
New Hampshire	2.40	5	—	—	3	2	—	—
New Jersey	1.70	10	—	4	5	1	—	—
New Mexico	2.60	5	—	—	2	3	—	—
North Dakota	3.00	1	—	—	—	1	—	—
Ohio	2.73	15	—	—	5	9	1	—
Oklahoma	2.75	8	—	—	2	6	—	—
South Dakota	3.00	1	—	—	—	1	—	—
Tennessee	3.17	6	—	—	1	3	2	—
Texas	2.47	19	—	—	10	9	—	—
West Virginia	3.20	5	—	—	1	2	2	—
Wisconsin	2.40	5	—	—	3	2	—	—
Wyoming	3.00	1	—	—	—	1	—	—

Sources: 1970 Census of Population, Advance Report, Final Population Count, Bureau of the Census, U.S. Department of Commerce. American Bank Directory, Spring Edition, 1970. Operating Banking Offices, January 1, 1970, FDIC. Standard Metropolitan Statistical Areas of the United States, 1967, Bureau of the Budget, Executive Office of the President. Subsidiary Banks of Bank Holding Companies, Dec. 31, 1969, Federal Reserve.

AVERAGE NUMBER OF COMMERCIAL BANKING ORGANIZATIONS PER CITY IN CITIES OF 30,000 TO 49,999 POPULATION IN THE UNITED STATES AND IN STATES WITH INDICATED BRANCHING REGULATIONS, 1970 [1]

	Average number of banks per city	Total number of cities	Number of Cities with: No banks	1 bank	2 banks	3 banks	4 banks	5 or more
Total United States	3.29	126	—	1	20	60	34	11
% of total		100.0	—	.8	15.9	47.6	27.0	8.7
States with unlimited statewide branching								
Total, 14 states	3.83	18	—	—	1	5	8	4
% of total		100.0	—	—	5.6	27.8	44.4	22.2
Alaska	4.00	1	—	—	—	—	1	—
Arizona	—	—	—	—	—	—	—	—
California	4.00	1	—	—	—	—	1	—
Connecticut	2.50	2	—	—	1	1	—	—
Delaware	—	—	—	—	—	—	—	—
Idaho	4.00	2	—	—	—	—	2	—
Maryland	4.00	1	—	—	—	—	1	—
Nevada	—	—	—	—	—	—	—	—
North Carolina	3.67	3	—	—	—	2	—	1[2]
Oregon	3.00	1	—	—	—	1	—	—
Rhode Island	5.00	1	—	—	—	—	—	1[2]
South Carolina	4.50	2	—	—	—	—	1	1[2]
Vermont	3.00	1	—	—	—	1	—	—
Washington	4.33	3	—	—	—	—	2	1[2]

[1] Excludes cities in Standard Metropolitan Statistical Areas.

[2] 5 banking organizations.

States permitting only branches in headquarters county or city or less and states with no branches or with facilities only:

Total, 29 states	3.12	92	—	1	17	49	20	5
% of total		100.0	—	1.1	18.5	53.3	21.7	5.4
Alabama	3.00	4	—	—	—	4	—	—
Arkansas	2.00	2	—	—	2	—	—	—
Colorado	4.00	2	—	—	—	—	2	—
Florida	3.83	6	—	—	1	1	2	2[2]
Georgia	3.33	3	—	—	—	2	1	—
Illinois	3.40	5	—	—	1	2	1	1[2]
Indiana	2.33	6	—	—	4	2	—	—
Iowa	3.00	6	—	—	—	6	—	—
Kansas	3.67	3	—	—	—	1	2	—
Kentucky	3.00	2	—	—	—	2	—	—
Louisiana	3.00	3	—	—	—	3	—	—
Massachusetts	2.00	1	—	—	1	—	—	—
Michigan	2.33	3	—	—	2	1	—	—
Minnesota	4.00	2	—	—	—	—	2	—
Missouri	3.00	2	—	—	—	2	—	—
Montana	—	—	—	—	—	—	—	—
Nebraska	3.00	1	—	—	—	1	—	—
New Hampshire	2.00	1	—	—	1	—	—	—
New Jersey	2.40	5	—	1	1	3	—	—
New Mexico	2.67	3	—	—	1	2	—	—
North Dakota	4.00	3	—	—	—	—	3	—
Ohio	3.17	6	—	—	—	5	1	—
Oklahoma	3.33	3	—	—	—	2	1	—
South Dakota	3.00	1	—	—	—	1	—	—
Tennessee	3.25	4	—	—	—	3	1	—
Texas	3.40	5	—	—	1	2	1	1[2]
West Virginia	5.00	1	—	—	—	—	—	1[2]
Wisconsin	2.86	7	—	—	2	4	1	—
Wyoming	4.00	2	—	—	—	—	2	—

Sources: 1970 Census of Population, Advance Report, Final Population Count, Bureau of the Census, U.S. Department of Commerce. *American Bank Directory*, Spring and Fall Editions, 1970. *Operating Banking Offices*, January 1, 1970, FDIC. Standard Metropolitan Statistical Areas of the United States, 1967, Bureau of the Budget, Executive Office of the President. *Subsidiary Banks of Bank Holding Companies*, Dec. 31, 1969, Federal Reserve.

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[1] Excludes cities in Standard Metropolitan Statistical Areas.

[2] 5 banking organizations.

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COLORADO PERCENTAGE 5 LARGEST BANKING ORGANIZATIONS

	Total	$0-$1000	1-$10,000	$10-15,000	$15-25,000	25-$100,000	100,000-
Dollars	48.271%	24.822%	35.261%	38.640%	45.037%	54.356%	77.994%
Number of accounts	26.041%	23.869%	32.175%	38.586%	44.291%	51.887%	68.563%
Figures							
Dollars	1,528,913	71,618	396,368	118,129	103,235	239,435	600,021
Number of accounts	462,349	331,781	108,646	9,715	5,330	4,851	1,699

Note that the share of the larger organizations in the small accounts is only one-third the share of those organizations is the large accounts. Yet there small accounts forms the bulk of all banking business.

	Total	$0-$1000	1-$10,000	$10-15,000	$15-25,000	25-$100,000	100,000-
Accounts	1,775,455	1,389,978	337,672	25,177	12,034	9,349	2,478
% of total	100.0%	78.3%	19.0%	1.4%	0.7%	0.5%	0.1%

To an even more marked degree, the market share of First National Bancorporation of Colorado tends to substantially overstate its penetration of the State totals in the smaller accounts.

COLORADO PERCENTAGES, FIRST NATIONAL BANCORPORATION [87]

	Total	$0-$1000	1-$10,000	$10-15,000	$15-25,000	25-$100,000	100,000-
Dollars	14.988%	5.734%	8.941%	11.115%	13.094%	18.462%	27.251%
Number of account	6.003%	5.249%	8.047%	11.061%	12.605%	17.103%	22.154%
Figures							
(000) Dollars	474,746	16,546	100,510	33,982	30,015	81,324	212,368
Number of accounts	106,586	72,962	27,173	2,785	1,517	1,599	549

[illegible] proportionately the specific categories, are lower today than in 1968 and should be adjusted downward.

TABLE

Deposits (000) and Market Share
All Banks in Boulder (1950-1970)

Boulder: United Bank		Boulder: National State Bank		Boulder: Security Bank		Boulder: Boulder National Bank		Boulder: First National Bank		Boulder: Arapahoe National Bank		
3,240	17.4	8,216	44.1					7,194	38.6			
3,787	17.8	9,013	42.3					8,524	40.0			
4,119	16.4	10,889	43.4					10,106	40.2			
4,176	16.7	10,474	41.8					10,401	41.5			
4,741	17.5	10,711	39.6					11,620	42.9			
5,118	17.3	11,683	39.5					12,775	43.2			
5,589	18.8	11,847	39.9					12,261	41.3			
6,984	21.2	12,646	38.4					13,260	40.3			
7,374	20.3	13,877	38.3					15,006	41.4			
8,070	20.5	14,854	37.7					16,449	41.8			
8,821	19.3	15,560	34.1	273	0.6			20,507	44.9	486	1.1	20,
9,649	19.7	16,203	33.0	285	0.6			21,158	43.1	1,749	3.6	22,
14,127	21.8	20,138	31.0	2,008	3.1			26,038	40.1	2,575	4.0	28,
15,353	22.0	19,813	28.4	2,602	3.7			28,941	41.5	3,097	4.4	32,
14,709	20.0	21,926	29.7	1,951	2.6	1,875	2.5	30,096	40.8	3,172	4.3	33,
17,207	20.1	23,825	27.8	2,160	2.5	3,211	3.7	35,525	41.5	3,724	4.3	39,
17,489	18.3	25,874	27.1	2,432	2.5	5,071	5.3	40,497	42.4	4,194	4.4	44,
17,975	16.8	26,498	24.7	3,000	2.8	6,870	6.4	48,285	45.0	4,624	4.3	52,
22,275	17.7	27,635	21.9	2,387	1.9	9,057	7.2	58,670	46.6	5,900	4.7	64,
24,230	18.3	28,667	21.7	3,472	2.6	10,931	8.3	58,609	44.3	6,268	4.7	64,
25,549	17.2	32,342	21.7	3,640	2.4	12,172	8.2	68,309	45.9	6,958	4.7	75,

SOURCE: Derivative from Table DX-2.

Number of accounts: 549 1,599 1,517 2,785 27,173 72,962 106,586

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TABLE

Deposits (000) and Market Share
All Banks in Boulder (1950-1970)

er: Bank		Boulder: National State Bank		Boulder: Security Bank		Boulder: Boulder National Bank		B Na
	17.4	8,216	44.1					7,
	17.8	9,013	42.3					8,
	16.4	10,889	43.4					10,
	16.7	10,474	41.8					10,
	17.5	10,711	39.6					11,
	17.3	11,683	39.5					12,
	18.8	11,847	39.9					12,
	21.2	12,646	38.4					13,
	20.3	13,877	38.3					15,
	20.5	14,954	37.7					16,
	19.3	15,560	34.1	273	0.6			20,
	19.7	16,203	33.0	285	0.6			21,
	21.8	20,138	31.0	2,008	3.1			26,
	22.0	19,813	28.4	2,602	3.7			28,
	20.0	21,926	29.7	1,951	2.6	1,875	2.5	30,
	20.1	23,325	27.8	2,160	2.5	3,211	3.7	35,
	18.3	25,874	27.1	2,432	2.5	5,071	5.3	40,
	16.8	26,498	24.7	3,000	2.8	6,870	6.4	48,
	17.7	27,635	21.9	2,387	1.9	9,057	7.2	58,
	18.3	28,667	21.7	3,472	2.6	10,931	8.3	58,
	17.2	32,342	21.7	3,640	2.4	12,172	8.2	68,

vative from Table DX-2.

Boulder: First National Bank		Boulder: Arapahoe National Bank		ABC Total		Boulder Total
194	38.6					18,650
524	40.0					21,324
106	40.2					25,114
401	41.5					25,051
620	42.9					27,072
775	43.2					29,578
261	41.3					29,697
260	40.3					32,350
006	41.4					36,267
449	41.8					39,378
507	44.9	486	1.1	20,993	46.0	45,647
158	43.1	1,749	3.6	22,907	46.7	49,044
038	40.1	2,575	4.0	28,613	44.1	64,808
941	41.5	3,097	4.4	32,038	45.9	69,811
096	40.8	3,172	4.3	33,268	45.1	73,729
525	41.5	3,724	4.3	39,249	45.8	85,652
497	42.4	4,194	4.4	44,691	46.8	95,527
285	45.0	4,624	4.3	52,909	49.3	107,262
670	46.6	5,900	4.7	64,570	51.3	125,924
609	44.3	6,268	4.7	64,877	49.1	132,177
309	45.9	6,958	4.7	75,267	50.5	148,970

TABLE

Deposits (000) and Market Share
All Banks in Littleton (1950 - 1970)

Year	Littleton: Littleton National Bank		Littleton: United Bank of		Littleton: First National of Southglenn	
1950	4,390					
1951	4,826					
1952	5,604					
1953	5,773					
1954	7,770					
1955	7,322					
1956	7,426					
1957	8,063					
1958	9,553	79.9	2,403	20.1		
1959	9,946	73.9	3,515	26.1		
1960	11,041	72.2	4,254	27.8		
1961	10,657	66.6	5,341	33.4		
1962	11,646	64.9	6,290	35.1		
1963.	11,934	62.3	7,228	37.7		
1964	12,426	59.3	8,155	38.9	378	1.8
1965	12,758	52.5	9,787	41.1	1,234	5.4
1966	11,985	47.1	11,412	44.9	2,047	8.0
1967	12,275	44.9	12,212	44.7	2,848	10.4
1968	14,418	46.0	13,078	41.7	3,858	12.3
1969	14,347	43.0	14,242	42.7	4,773	14.3
1970	15,572	39.2	16,826	42.4	7,322	18.4

CE: Derivative from Table DX-2.

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TABLE

Deposits (000) and Market Share
All Banks in Littleton (1950 - 1970)

Littleton: Littleton National Bank		Littleton: United Bank of		Littleton: First National Bk. of Southglenn		Littleton Totals
4,390						
4,826						
5,604						
5,773						
7,770						
7,322						
7,426						
8,063						
9,553	79.9	2,403	20.1			11,956
9,946	73.9	3,515	26.1			13,461
11,041	72.2	4,254	27.8			15,295
10,657	66.6	5,341	33.4			15,998
11,648	64.9	6,290	35.1			17,938
11,934	62.3	7,228	37.7			19,162
12,426	59.3	8,155	38.9	378	1.8	20,959
12,758	53.5	9,787	41.1	1,234	5.4	23,829
11,985	47.1	11,412	44.9	2,047	8.0	25,444
12,275	44.9	12,212	44.7	2,848	10.4	27,335
14,418	46.0	13,078	41.7	3,856	12.3	31,352
14,347	43.0	14,242	42.7	4,773	14.3	33,362
15,572	39.2	16,826	42.4	7,322	18.4	39,720

m Table DX-2.

TABLE D. Ex. 38

Deposits (000) and Market Share
All Banks in Aurora (1950-1970)

	Aurora: Aurora National Bank		Aurora: United Bank of Aurora		Aurora: Peoples Bank & Trust		Aurora Total
1950			4,721	100.0			4,721
1951			5,880	100.0			5,880
1952			6,484	100.0			6,484
1953			6,732	100.0			6,732
1954			7,332	100.0			7,332
1955			7,366	100.0			7,366
1956			7,712	100.0			7,712
1957			6,668	85.8	1,108	14.2	7,776
1958			7,153	73.3	2,599	26.7	9,752
1959			6,871	66.7	3,423	33.3	10,294
1960			6,935	53.8	5,948	46.2	12,883
1961			7,981	51.4	7,556	48.6	15,537
1962			7,967	47.6	8,759	52.4	16,726
1963	1,308	8.5	7,947	41.7	9,315	48.8	19,070
1964	4,217	18.5	9,048	39.7	9,518	41.8	22,781
1965	5,681	22.9	9,174	35.7	10,645	41.4	25,700
1966	6,086	22.0	9,281	33.6	12,271	44.4	27,638
1967	9,049	26.9	10,475	31.2	14,098	41.9	33,622
1968	10,955	27.7	10,815	27.4	17,746	44.9	39,516
1969	13,098	29.8	11,882	27.0	19,030	43.2	44,010
1970	16,885	30.5	14,606	26.4	23,916	43.2	55,407

SOURCE: Derivative from Table DX-2.

TABLE

Deposits (000) and Market Share
All Banks in Greeley (1950-1970)

Year	Greeley Cache Natl. Bk		Greeley: Greeley Natl Bk		Greeley: W. Greeley Natl. Bk		ABC Total		Greeley: First Natl Bk		Greeley State Bank of		Greeley: United Bank of		Greeley City Total
1950			10,092	33.3					15,084	49.8			5,100	16.8	30,276
1951			12,742	37.6					15,913	47.0			5,221	15.4	33,876
1952			13,786	37.3					17,275	46.8			5,905	16.0	36,966
1953			14,674	36.5					17,297	45.4			6,169	16.2	38,100
1954			14,754	37.0					18,172	45.6			6,928	17.4	39,854
1955			13,205	35.5					16,930	45.5			7,042	18.9	37,177
1956			14,883	37.7					17,001	43.1			7,549	19.1	39,433
1957			17,613	40.1					17,009	38.8			9,257	21.1	43,878
1958			19,300	38.7					20,605	41.3			9,939	19.9	49,844
1959			18,813	38.7					19,240	39.5			10,605	21.8	48,658
1960			19,372	37.8					20,652	40.3			11,266	22.0	51,290
1961			22,133	39.5					21,440	38.3			12,413	22.2	55,986
1962	1,406	2.0	26,745	38.3			28,151	40.3	25,961	37.2			14,933	21.4	69,832
1963	2,221	3.0	27,808	37.6	311	0.4	30,340	41.1	27,472	37.2			16,083	21.8	73,895
1964	2,431	3.2	27,992	36.8	800	1.1	31,223	41.1	28,711	37.8			16,085	21.2	76,019
1965	3,116	3.7	31,037	37.0	1,333	1.6	35,516	42.3	30,545	36.4	1,209	1.4	16,884	19.9	83,964
1966	3,981	4.4	33,169	36.4	1,915	2.1	39,065	42.9	32,332	35.5	1,507	1.7	18,200	20.0	91,104
1967	4,791	4.8	34,676	35.1	2,520	2.5	41,987	42.5	35,783	36.2	1,820	1.8	19,276	19.5	98,866
1968	5,823	5.2	40,616	36.5	2,770	2.5	49,209	44.2	36,943	33.2	2,147	1.9	23,104	20.7	111,403
1969	6,719	5.7	41,619	35.3	3,066	2.6	51,404	43.6	40,263	34.1	2,156	1.8	24,109	20.4	117,932
1970	7,738	6.2	43,735	34.9	3,557	2.8	55,030	43.9	40,862	32.6	2,120	1.7	27,370	21.8	125,382

SOURCE: Derivative from Table DX-2.

DX 40

POPULATION PER BANKING OFFICE ALL COLORADO COUNTIES
50,000 or More
(year end 1970)
In Descending Order of Population Per Banking Office

Name of County	Number of Banks	Population	Population Per Banking Office
Adams	6	185,789	30,964
Jefferson	11	233,031	21,185
Pueblo	7	118,238	16,891
Denver	31	514,678	16,602
Arapahoe	11	162,142	—
El Paso	19	235,972	12,419
Mesa	5	54,374	10,874
Boulder	12	131,889	10,991
Larimer	10	—	89,900
WELD	15	89,297	5,953

Source: U.S. Department of Commerce, Bureau of the Census; *American Bank Directory.*

DX 41

POPULATION PER BANKING OFFICE,
ALL COLORADO COMMUNITIES 15,000 OR MORE
(Year End 1970)
In Descending Order of Population

Name of City	Number of Banks	Population	Population Per Banking Office
Sherrellwood	0	18,868	∞
Lakewood	3	92,787	30,929
North Glenn	1	27,937	27,937
Aurora	3	74,974	24,991
Arvada	2	46,814	23,407
Fort Carson	1	19,399	19,399
Commerce City	1	17,407	17,407
Denver	31	514,678	16,602
Security-Widefield	1	15,297	15,297
Wheatridge	2	29,795	14,898
Pueblo	7	97,543	13,934
Englewood	3	33,695	11,231
Boulder	6	66,870	11,143
Fort Collins	4	43,337	10,834
Westminster	2	19,432	9,716
Colorado Springs	14	135,060	9,647
Littleton	3	26,466	8,822
Longmont	3	23,209	7,736
Littleton Southeast	3	22,899	7,633
Grand Junction	3	20,170	6,723
GREELEY	6	38,902	6,484
Loveland	3	16,220	5,407
TOTAL	102	1,401,759	13,743

Source: Derivative from Tables DX-2 and DX-6.

DX 42

BEFORE THE BANKING BOARD OF THE
STATE OF COLORADO
Denver, Colorado

N THE MATTER OF THE APPLICATION FOR CHARTER OF BOULDER ALLEY BANK, BOULDER, COLORADO	Findings of Fact and Order Denying Application

STATEMENT

Pursuant to the appropriate provisions of Article 9, Chapter 14, Colorado Revised Statutes 1963, as amended, he following persons presented an application for a commercial bank charter: R. Stanley Brenton, William Earl Coburn, James Dean Hudson, Dale Courtney Hudson, Floyd L. Andersen, Hallie Hill Hudson, William Joseph Hudson and Clarence Dale Hurlburt. The incorporators propose to name the bank Boulder Valley Bank and locate t on the south-east corner of 28th Street (Longmont Diagonal) south of Iris Avenue in the City and County of Boulder. The following findings and Order are hereby promulgated by the Banking Board as the result of its consideration of evidence introduced at public hearing.

I. PUBLIC HEARING

On October 30, 31 and November 25, 1969, the Banking Board conducted a public hearing to consider the application. The hearing was conducted pursuant to C.R.S. 1963, 4-9-10 (3) and appropriate provisions of the Colorado Administrative Code.

With the exception of Mr. T. C. Swanson, all members of the Banking Board were present. With the consent of Counsel, Mr. Pierpont Fuller presided as chairman of the hearing. A. Frank Vick, Jr., Assistant Attorney General, appeared as counsel for the Banking Board.

The applicants appeared at the hearing, both in person and through counsel, Mr. Charles E. Williams, Esq. and Mr. David W. Griffith, Esq. of Williams, Taussig and Trine, Mr. Ira C. Rothgerber, Esq. and William P. Johnson, Esq. appeared for the protestant Boulder National Bank. Although notices of the hearing were provided to all other banks located in Boulder, no appearances were noted for these institutions. Throughout the course of the hearing,

both applicants and protestant were provided opportunity to present oral and documentary evidence, to cross examine witnesses and give legal argument. At the conclusion of the hearing, the parties through counsel, were provided opportunity to present oral arguments in summation and to file written briefs.

II. Statutory Factors

C.R.S. 1963, 14-9-10 (1) requires the State Bank Commissioner to investigate each application for charter and determine whether the following requirements have been met:

> (1) That the applicant has proceeded in a lawful manner;
>
> (2) That the name is not deceptively similar to that of another bank or otherwise misleading;
>
> (3) That the persons who will serve as directors or officers, insofar as such persons are known, are qualified by character and experience and that the financial status of the incorporators, directors, and officers is consistent with their responsibilities and duties;
>
> (4) That the capital and surplus are not less than the required minimum and that the requirements for paid-in undivided profits, and in the case of a new bank charter, organizational expense fund and paid-up stock subscriptions by the incorporators, have been met; and
>
> (5) That the proposed articles of incorporation, or amended articles of incorporation, and by-laws are appropriate or may be amended to be appropriate.

In addition to those preliminary determinations made by the Commissioner and enumerated above, C.R.S. 1963, 14-9-10 (3) requires the Banking Board to consider and the applicants to prove the following two factors:

> (1) That the proposed bank will serve a public need and advantage in the communities, community, or area of the community in which the bank will serve, and
>
> (2) That the volume of business in the communities, community, or area of the community in which the proposed bank will serve is such that profitable operation of the bank may be reasonably projected.

The Banking Board, in the exercise of its chartering power, is further required by C.R.S. 1963, 14-2-16 to act in the interests of promoting and maintaining a sound banking system, the security of deposits and depositors and other customers, the preservation of the liquid position of state banks and in the interest of preventing injurious credit expansions and contractions.

III. Determinations by the Commissioner

The Bank Commissioner, as required by statute, reported to the Banking Board and found affirmatively on all of the requirements contained in Section 14-9-10 (1), C.R.S. 1963. Protestant objects to the finding by the Commissioner that the applicants have proceeded in a lawful manner. Their objection involves the interpretation of C.R.S. 1963, 14-9-10 (7), which provides that whenever two applications are filed for approximately the same area within a 90-day period, the Banking Board may, in its discretion, consider them at a combined hearing. Protestant insists that this law requires the Banking Board to delay a public hearing on an application for a period of at least 90 days from the filing thereof so that if another application is filed for essentially the same area, it may determine whether or not the two applications should be consolidated. We do not agree with this interpretation since the statute is a matter of discretion in the first instance. Accordingly, the Board concurs in all of the determinations and findings made by the Commissioner with respect to the requirements set forth in C.R.S. 1963, 14-9-10 (1).

IV. Public Need and Advantage

The applicants proposed to establish Boulder Valley Bank in the City of Boulder at the intersection of 28th Street and what is referred to as the Longmont Diagonal. The proposed site is on the east side of 28th Street although direct access thereto is impossible from either 28th Street or from the Longmont Diagonal. The site is isolated to a large extent in the northwestern corner of a new shopping center which is largely undeveloped except for a Gibson's Discount Store directly to the south and a restaurant some distance away.

The primary service area proposed by applicants includes part of north Boulder and areas outside the city

limits to the northwest, north, northeast and east of the proposed site. The Boulder County Planning Board estimates approximately five planning units substantially comprise this primary service area. We must of necessity consider each planning unit in an effort to determine whether or not the proposed bank would serve a public need and advantage in the community.

The North Boulder Planning Unit is described as an area with many problems relating to a future, orderly development and is an area where serious difficulties presently exist with respect to mixed use, legal and illegal nonconforming uses, adverse lot conditions and an apparent inadequate traffic circulation pattern. Water and sanitation conditions in the North Boulder area were described as another crucial determining factor which will hinder any favorable development. One witness testified that until this problem is resolved, any development at all which might occur will be marginal. The experts stated that numerous scattered junkyards will discourage rapid growth and dense development. Many of the existing homes were noted as substandard.

The Diagonal West area was described as presently containing 88 per cent in agricultural use, five percent in lakes and reservoirs and only one percent devoted to residential development. The present population of this area is only 350 people. Planning experts appear to agree that extensive commercial development along both North 28th Street and the Diagonal will continue to be discouraged.

The Diagonal East area demonstrates a similar situation. Ninety two percent of this area is devoted to agricultural use and only three percent is presently devoted to residential use. The current population of this area is also less than 350 people.

The Gun Barrel Hill area was described by the experts as an area which has only 20 percent development at the present time. Sixty percent of the ground is still in agricultural use with three percent devoted to residential purposes.

The Airport South area is east of the proposed bank. The predominant land use in this area is agricultural with another ten percent thereof devoted to lakes and reservoirs. At the present time, no residential subdivision or other substantial development has been deemed practical or ad-

visable. There appears to be serious problems with respect to traffic circulation therein.

Substantial discrepancies exist in deposit projections presented by the applicants. Deposit projections must, of course, be attached to the trade area which the bank proposes to serve. Based upon the description of the trade area, the Board is unable to conclude that the projections with respect to deposits are reasonable. The methodology by which the applicants approached their projections of deposits was not concrete and must therefore be more clearly defined in order to be reliable.

Accordingly, the Board finds and concludes that the chartering of the proposed bank would not serve a public need and advantage in the community, communities, or area of the community which the applicants propose to serve.

V. Profitable Operation

In Article IV above, we discussed the complexion of the various sections of the proposed trade area. The conclusions which we reached with respect to each of these areas naturally affect our determination of whether or not a profitable operation of the proposed bank may be reasonably projected. Based upon our understanding of the present conditions existing within the proposed trade area, we do not find that the volume of business in the area is sufficient to reasonably project a profitable operation.

Numerous discrepancies among projections of deposits further require us to reject the contention that the bank might operate at a profit. We are aware that the Boulder area presently enjoys keen commercial banking competition from both within the City and from without. Several banks are members of bank holding companies and apparently find their strength with respect to competitive aspects from such associations. Based upon the existence of such competition, something more must appear in the record with respect to concrete prospects of growth in this *northeastern sector* of the community to convince us that an additional commercial bank may reasonably enjoy financial success.

The Board considered at great length, the applicant's projections of income and expense. In our opinion, the lease and occupancy expenses proposed for the bank are unreasonably high and do not truly accord with the bulk of the evidence.

Accordingly, the Board finds and concludes that the applicants have not sustained their burden of proving that the volume of business in the community, communities, or area of the community which the proposed bank would serve is such that profitable operation of the bank can be reasonably projected.

VI. Effects on Banks and Banking, the Security of Deposits, Depositors and Other Customers and Upon Credit.

The Boulder community presently appears to be well served by existing financial institutions. In keeping with the *growth* of this city, it appears that several new commercial banks came into existence in the early 1960's. These institutions have shown growth, both in deposits and in their ability to perform. The applicants here, however, do not propose to serve, to any large extent, the older, more established areas of Boulder. Instead, the impact of this application seems to indicate that the future of Boulder is going to the north and to the east. Until such time as this proposed market is developed in a more concrete fashion and the numerous problems with respect to traffic circulation in the area are solved, we are unable to find that the addition of the proposed bank into the projected trade area will materially benefit the security of deposits, depositors and other customers.

It could be argued that additional banks, conveniently located, will further the interests of the depositing public. A bank situated on every block would, no doubt, be desirable from the standpoint of some depositors and prospective customers. On the other hand, we do not feel that such a chartering procedure would be in keeping with the trust imposed upon this Board by the Colorado General Assembly.

ORDER

On the basis of all the relevant facts contained in the record before the Board, as accumulated through many days of public hearing, and in view of the findings and conclusions set forth above, it is the Board's judgment and order that the application for charter be denied.

Dated at Denver, Colorado this 3rd day of February, 1970.

BY ORDER OF THE STATE BANKING BOARD:

/s/ Harry Bloom
HARRY BLOOM
State Bank Commissioner and
Chairman, State Banking Board

DX 43

BEFORE THE BANKING BOARD OF THE
STATE OF COLORADO
Denver, Colorado

IN THE MATTER OF THE APPLICATION FOR CHARTER OF TABLE MESA STATE BANK, BOULDER, COLORADO	FINDINGS OF FACT AND ORDER DENYING APPLICATION

STATEMENT

Pursuant to the appropriate provisions of Article 9, Chapter 14, Colorado Revised Statutes 1963, as amended, the following persons presented an application for a commercial bank charter: Melvin J. Roberts, Charles A. Baer, Kenneth H. Nordling, Will F. Nicholson, Jr., and Gilbert J. Mueller. The incorporators propose to name the bank Table Mesa State Bank and locate it in the Table Mesa Shopping Center, South Broadway and Table Mesa Drive, Boulder, Colorado. The following findings and order are hereby promulgated by the State Banking Board as the result of its consideration of evidence introduced and received at public hearing.

I

PUBLIC HEARING

On October 29, 1970, the Banking Board conducted a public hearing to consider this application. The hearing was conducted pursuant to Section 14-9-10(3), C.R.S. 1963, as amended, together with other appropriate provisions of the Colorado Administrative Code.

All members of the Banking Board were present. With the consent of counsel, Pierpont Fuller presided as acting chairman of the Board and of the hearing. A. Frank Vick, Jr., Assistant Attorney General appeared as counsel for the Banking Board.

The applicants appeared at the hearing both in person and through counsel, Mr. Joseph G. Hodges, Esq. of Hodges, Harrington, Kerwin and Otten. Mr. Richard L. Eason, Esq. of Simon, Eason, Hoyt and Malone, appeared for the protestant Security Bank of Boulder. Although notices of the hearing were provided to all other banks located within Boulder, no appearances were noted for these institutions. Throughout the course of the hearing, the ap-

plicants and protestant were provided opportunity to present oral and documentary evidence, to cross-examine witnesses and to give legal argument. At the conclusion of the hearing, the parties through counsel presented oral argument in summation and were provided the opportunity to file written briefs. No briefs were filed.

II

Statutory Factors

C.R.S. 1963, 14-9-10 (1) requires the State Bank Commissioner to investigate each application for charter and determine whether the following requirements have been met:

1) That the applicants have proceeded in a lawful manner;

2) That the name is not deceptively similar to that of another bank, or otherwise misleading;

3) That the persons who will serve as directors or officers, insofar as such persons are known, are qualified by character and experience and that the financial status of the incorporators, directors and officers is consistent with their responsibilities and duties;

4) That the capital and surplus of the proposed bank are not less than the required minimum and that the requirements for paid-in undivided profits, organizational expense fund and paid up stock subscriptions by the incorporators have been met; and

5) That the proposed Articles of Incorporation and Bylaws are appropriate or may be amended to be appropriate.

In addition to those preliminary determinations made by the Commissioner and enumerated above, C.R.S. 1963, 14-9-10 (3) requires the Banking Board to consider and the applicants to prove the following factors:

1) That the proposed bank will serve a public need and advantage in the community, communities, or area of the community which the bank will serve, and

2) That the volume of the business in the community, communities, or area of the community in which the proposed bank will serve is such that profitable operation of the bank may be reasonably projected.

The Banking Board, in the exercise of its chartering authority is further required by C.R.S. 1963, 14-2-16 to act in the interests of promoting and maintaining a sound banking system, security of deposits and depositors and other

customers, preservation of the liquid position of state banks and in the interest of preventing injurious credit expansions and contractions.

III

Determinations by the Commissioner

The Bank Commissioner, as required by statute, reported to the Banking Board by way of his letter dated October 23, 1970 and admitted into evidence as Commissioner's Exhibit A subject to the right of protestant to direct argument and objection to the Exhibit and the determinations contained therein. Basically, the report is an affirmative finding on all of the requirements set forth in Section 14-9-10 (1) C.R.S. 1963.

A novel question is presented in this application by virtue of the fact that the sole stockholder in the proposed bank is to be Colorado CNB Bankshares, Inc., a holding company registered by the Board of Governors of the Federal Reserve System pursuant to Bank Holding Company Act of 1956. Protestant argues that the Act under which this holding company is regulated requires advance approval from the Board of Governors of the Federal Reserve System for the acquisition of shares in the proposed bank. Protestant argues that no authority to purchase shares in the proposed bank has been obtained by the holding company from the Board of Governors of the Federal Reserve System and, therefore, the applicants have not proceeded in a lawful manner with respect to this application. Accordingly, protestant argues that the Commissioner erred in his determination that the applicants have proceeded in a lawful manner.

We are reluctant to rule that the jurisdiction of this Board contains the power to enforce compliance with certain provisions of the Bank Holding Company Act of 1956. To the contrary, certain language in that Act expressly provides that regulation is reserved to the Board of Governors of the Federal Reserve System.

The Commissioner has found that "the applicants" have proceeded lawfully and with this we agree. The applicants are individuals who are closely related to the holding company. Their application in this instance appears to be complete. Accordingly, without ruling upon the precise question of whether or not we may enforce compliance with

federal legislation, we affirm the findings and determinations of the Commissioner with respect to the requirements set forth in C.R.S. 1963, 14-9-10 (1).

IV

Public Need and Advantage

The applicants desire to locate the proposed bank in the Table Mesa Shopping Center, a development situated near South Broadway and Table Mesa Drive in Boulder, Colorado. The shopping center is strategically located near many residential areas in south Boulder. From this location, the proposed bank is expected to serve a primary service area extending north to Aurora Street; northeast and east along the Boulder freeway; south to a point beyond Lafayette Drive; and west to the foothills. In the northeast corner of the service area, the applicants have included a residential development bounded on the north by Baseline Road; on the west by Meadowbrook Drive; on the southeast and south by the Boulder Freeway and South Boulder Road; and west to a point beyond existing residential development.

The shopping center has been in existence for some period of time and it appears obvious that the significance of it has increased as residential development has pushed to the south in Boulder. Both applicants and protestant agree that a commercial bank located in the primary service area would serve the public need and advantage. Protestant asserts, however, that the primary service area defined by the applicants extends too far north which, in turn, influences population projections and deposit estimates for the proposed bank.

The applicants retained professional economists to develop the primary service area and economic indicators contained therein. The record reveals that feasibility studies prepared by these economists did not contemplate two commercial banks within the primary service area. Obviously, at the present time there is no commercial bank located within or reasonably near the Table Mesa Shopping Center. However, the applicants were aware that on March 5, 1970, the protestant Security Bank of Boulder received authority from us to change its location from its present quarters at 1135 Broadway in Boulder, Colorado to a site

on South Broadway near the intersection of that thoroughfare and Toedti Street. Pursuant to our order, the Security Bank of Boulder has proceeded to acquire ground, retain architects and do all things necessary to accomplish the move. We are confident that the Security Bank will move from its present location on the University Hill area to the new site by virtue of the vast amount of work which has already been undertaken. Accordingly, we cannot realistically consider this application as one for a bank in an area without competition. The question must be resolved as to whether or not *two* banks are neeeded in South Boulder and, further, will *two* banks serve a public need and advantage therein.

We are of the opinion that the economic and population factors present within the service area do not provide sufficient base upon which two banks may successfully serve the public need and advantage. Commercial activity within the primary service area is limited to approximately 35 businesses and several medical offices. By virtue of competition from existing Boulder banks to the north, these businesses do not appear to be primarily oriented toward the Table Mesa area. Banking relationships have become established by these businesses with existing Boulder banks and, in some instances, downtown Denver institutions. Our conclusion is that no bank in the area will attract a significant number of commercial accounts for a substantial period of time.

Residential development provides us with a stronger feeling about this community. We estimate that the population of the primary service area in 1970 was approximately 19,000, many of whom are employed and occupied outside of Boulder. Boulder has often been referred to as a "bedroom community" whereby many residents enjoy the advantages of living in a non-metropolitan community but, none-theless, commute daily to their occupations in other localities. This would account for the market penetration experienced by non-Boulder banks into this trade area.

It remains for us, therefore, to determine whether or not the proposed service area demonstrates need for *two* commercial banks. As we have stated hereinabove, the applicants attempted to establish the fact that two banks would serve the public need and advantage in the area but such evidence was not convincing. By virtue of the evidence

indicating that the protestant Security Bank of Boulder will open its new location we must consider it an established institution. Therefore, we find and conclude that the chartering of the proposed bank at the present time would not serve a public need and advantage in the community, communities, or area of the community which the applicants propose to serve.

V

Profitable Operation

In section IV above, we discussed the unique situation which confronts us in this application. The conclusions which we reached with respect to public need and advantage are, in large measure, determinative of our opinion on the reasonable projection of a profitable operation for the proposed bank. From the evidence presented, especially from the standpoint of commercial activity, we do not find that the volume of business would be sufficient to reasonably project a profitable operation.

The Table Mesa area is not new although it has grown rapidly in recent years. Some of the major downtown institutions have been in existence for many years and their influence extends throughout all of the trade area, all of Boulder County and beyond. In addition, World Savings and Loan Association established a Table Mesa branch which will provide competition for real estate loans and savings deposits to any commercial bank located within this area. The Boulder Standards Federal Credit Union is located in the primary service area with assets of approximately one and one-half million dollars. All of these facts provide us with great concern for the profitable operation of the proposed bank.

The protestant Security Bank of Boulder has been in existence since 1960. Throughout this period of time its performance has been nonremarkable. The fact remains, however, that it should bring with it a certain degree of patronage in Boulder in contrast with the proposed bank. From the evidence presented in this record, therefore, we are convinced that the proposed bank would not enjoy any reasonable likelihood of economic success for many years. We find, therefore, that the applicants herein have not proved that the volume of business in the community, communities or area of the community which the proposed bank

will serve is such that profitable operation of that bank can be reasonably projected.

VI

Effect on Banks and Banking, the Security of Deposits, Depositors, and Other Customers

Applicants contend that no commercial bank is located within the primary service area at the present time. We agree with this contention but we cannot overlook the basic fact that the protestant bank was authorized to move and will, no doubt, do so. It is for us to determine at this time whether or not the introduction of another institution would benefit the community, the customers of the proposed bank and the banking industry itself. We do not feel that our public responsibility permits us to ignore action heretofore taken by us when the net result might be detrimental both to the public and to the institutions designated by us to serve that public.

We have previously determined that there is a public need for a bank in this particular area and that the Security Bank of Boulder was competent to fulfill this need. We are not convinced, from the evidence presented in this record, that the public need demands two banks. In addition, we cannot overlook the opportunity which the protestant bank now has to reverse recent trends and become a major banking influence in Boulder. Accordingly, we find that approval of this application at the present time will have an adverse effect on banks and banking and the security of deposits, depositors and other customers within the Boulder community.

Order

On the basis of all of the material contained in the record before us as accumulated through competently presented evidence, and in view of the findings and conclusions set forth above, it is the Board's judgment and order that the application be denied.

Dated at Denver, Colorado this 27th day of January, 1971.

By Order of the State Banking Board:

Harry Bloom
Harry Bloom
State Bank Commissioner and
Chairman, State Banking Board

DX 44

DISTRIBUTION OF DEPOSITS AND LOANS OF FIRST NATIONAL BANK OF GREELEY BY LOCATION OF DEPOSITOR OR BORROWER, AUGUST 31, 1970

(Percentages computed from total dollar amounts)

	"Greeley Area" [1]				
	City of Greeley	Outside City	Other Weld County	Total Weld County	Total All Area
Deposits					
Demand deposits (IPS)	72.6	9.2	6.6	88.5	100.0
Time deposits (IPS)	67.7	8.3	13.8	89.8	100.0
Savings deposits	70.2	7.4	12.2	89.8	100.0
Total Loans	56.8	15.8	10.8	83.4	100.0
Farmers [2]	41.3	23.2	20.6	85.1	100.0
Commercial & Industrial [3]	68.5	12.1	1.8	82.4	100.0
Real estate	63.0	12.6	9.9	85.6	100.0
Individuals (installment)	63.5	8.4	6.4	78.3	100.0
Single payment	59.9	14.5	10.2	84.6	100.0

NOTE: Detail may not always add to total due to rounding.

[1] "Greeley Area" as defined by U.S. Department of Justice.

[2] Reported as "Commercial & Industrial" in Government Exhibits.

[3] Reported as "Farmers" in Government Exhibit.

SOURCE: Defendants Answers to Plaintiff's Interrogatories.

DX-45

Distribution of Number of Deposits and Loans of First National Bank of Greeley By Location of Depositor or Borrower, August 31, 1971

(Percentages computed from total number of deposits or loans)

	"Greeley Area" [1]				
	City of Greeley	Outside City	Other Weld County	Total Weld County	Total All Area
Deposits					
Demand deposits (IPS)	73.6	9.2	7.0	89.8	100.0
Time deposits (IPS)	64.8	8.0	14.4	87.3	100.0
Savings deposits	70.6	9.8	10.0	90.4	100.0
Total Loans	61.7	14.8	10.0	86.6	100.0
Farmers [2]	25.6	34.9	28.1	88.6	100.0
Commercial & industrial [3]	70.2	7.9	6.6	84.7	100.0
Real estate	69.1	13.5	9.6	92.1	100.0
Individuals (installment)	75.8	11.1	3.5	90.4	100.0
Single payment	62.5	13.8	8.8	85.0	100.0

NOTE: Detail may not always add to total due to rounding.

[1] "Greeley Area" as defined by U.S. Department of Justice.

[2] Reported as "Commercial & Industrial" in Government Exhibit.

[3] Reported as "Farmers" in Government Exhibit.

SOURCE: Defendants Answer to Plaintiff's Interrogatories 7 & 8.

DX-46

First National Bank of Greeley Loan Breakdown in Weld County, August 1970

Type of Loan	Total # of Accounts	Total $ Loans (000)	Weld County # of Accounts	Weld County %	Weld County $ Loans (000)	Weld County %
Real Estate	176	5,196	162	92.0	4,446	85.6
Farm Loans	324	10,227	287	88.6	8,704	85.1
Commercial & Industrial	242	8,655	205	84.7	7,131	82.4
Auto Loans	1,128	2,033	941	83.4	1,699	83.6
Industrial Loans	1,123	1,854	998	88.9	1,573	84.8
Total Loans	3,017	28,989	2,612	86.6	24,173	83.4

First National Bank of Greeley Loan Breakdown in Greeley, August 1970

Type of Loan	# of Accounts	% of Total Accounts	$ (000) of Loans	% of Total Loans
Real Estate	126	71.6	3,272	63.0
Farm Loans	83	34.3	4,228	41.3
Commercial & Industrial	170	70.2	5,928	68.5
Auto Loans	618	54.7	1,115	54.8
Individual Loans	850	75.7	1,313	70.8
Total Loans	1,866	61.8	16,475	56.8

Source: Answer to Plaintiff's Interrogatory No. 8.

DX 47

TOTAL DEPOSITS OF COMMERCIAL BANKS IN WELD COUNTY, DECEMBER 31, 1970

	Deposits Total (000)	% of Weld County	% of "Greeley Area"	% of City of Greeley
Weld County, total	163,798	100.0		
"Greeley Area", total*	133,951	81.8	100.0	
City of Greeley, total	125,382	76.5	93.6	100.0
First National Bank of Greeley	40,862	24.9	30.5	32.6
Affiliated Bankshares of Colorado, Inc.	61,251	37.4	41.1	43.9
Greeley National Bank	43,735	26.7	32.6	34.9
Cache National Bank	7,738	4.7	5.8	6.2
West Greeley National Bank	3,557	2.2	2.7	2.8
United Bank of Colorado, Inc.				
United Bank of Greeley	27,370	16.7	20.4	21.8
State Bank of Greeley	2,120	1.3	1.6	1.7
Other "Greeley Area"*	8,569	5.2	6.4	
South Platte National Bank, La Salle	3,363	2.1	2.5	
Eaton Bank	5,206	3.2	3.9	
Other Weld County	29,847	18.2		
Farmers National Bank, Ault (ABC)	6,221	3.8		
First National Bank of Windsor	5,709	3.5		
First National Bank, Johnstown	3,984	2.4		
Fort Lupton State Bank	7,978	4.9		
Citizens State Bank, Keenesburg	3,456	2.1		
Erie Bank	1,203	.7		
Hereford State Bank	1,296	.8		

NOTE: Detail may not always add to total due to rounding.

* "Greeley Area" as defined by U. S. Department of Justice.

Sources: Greeley newspaper reports and statements to Colorado Bankers Association.

DX 48

FEDERAL RESERVE

Press Release

For immediate release June 9, 1970

The Board of Governors of the Federal Reserve System has announced its approval, pursuant to the Bank Holding Company Act of 1956, of the application of The First National Bancorporation, Inc., Denver, Colorado, a registered bank holding company, for approval of the acquisition of 80 percent or more of the voting shares of The First National Bank of Greeley, Greeley, Colorado.

Attached are the Board's Order and accompanying Statement, together with a Concurring Statement of Governor Mitchell and a Dissenting Statement of Governors Robertson, Maisel, and Brimmer.

UNITED STATES OF AMERICA

BEFORE THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

WASHINGTON, D. C.

In the Matter of the Application of

THE FIRST NATIONAL BANCORPORATION, INC. Denver, Colorado,

for approval of acquisition of 80 per cent or more of the voting shares of The First National Bank of Greeley, Greeley, Colorado.

ORDER APPROVING ACQUISITION OF BANK STOCK BY BANK HOLDING COMPANY

There has come before the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)), and section 222.3(a) of Federal Reserve Regulation Y (12 CFR 222.3(a)), an application by The First National Bancorporation, Inc., Denver, Colorado, a registered bank holding company, for the Board's prior approval of the acquisition of 80 per cent or more of the voting shares of The First National Bank of Greeley, Greeley, Colorado.

As required by section 3(b) of the Act, the Board notified the Comptroller of the Currency of the application and requested his views and recommendation. The Comptroller recommended approval of the application.

Notice of receipt of the application was published in the Federal Register on November 5, 1969 (34 Federal Register 17930), providing an opportunity for interested persons to submit comments and views with respect to the proposed transaction. A copy of the application was forwarded to the United States Department of Justice for its consideration. Time for filing comments and views has expired and all those received have been considered by the Board.

IT IS HEREBY ORDERED, for the reasons set forth in the Board's Statement of this date, that said application be and hereby is approved, provided that the application so approved shall not be consummated (a) before the thirtieth

calendar day following the date of this Order or (b) later than three months after the date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Kansas City pursuant to delegated authority.

By order of the Board of Governors, June 9, 1970. Voting for this action: Chairman Burns and Governors Mitchell, Daane, and Sherrill.

Voting against this action: Governors Robertson, Maisel, and Brimmer.

/s/ Keneth A. Kenyon
KENNETH A. KENYON,
Deputy Secretary

(SEAL)

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

APPLICATION BY

THE FIRST NATIONAL BANCORPORATION, INC., DENVER, COLORADO, FOR APPROVAL OF THE ACQUISITION OF VOTING SHARES OF THE FIRST NATIONAL BANK OF GREELEY, GREELEY, COLORADO

STATEMENT

The First National Bancorporation, Inc., Denver, Colorado ("Applicant"), a registered bank holding company, has applied to the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)), for prior approval of the acquisition of 80 per cent or more of the voting shares of the First National Bank of Greeley, Greeley, Colorado ("Bank").

Views and recommendation of supervisory authority.—As required by section 3(b) of the Act, the Board notified the Comptroller of the Currency of receipt of the application and requested his views and recommendation thereon. The Comptroller recommended approval of the application.

Statutory considerations.—Section 3(c) of the Act provides that the Board shall not approve an acquisition that would result in a monopoly or would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States. Nor may the Board approve a proposed acquisition the effect of which, in any section of the country, may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint of trade, unless the Board finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the communities to be served. In each case, the Board is required to take into consideration the financial and managerial resources and future prospects of the bank holding company and the banks concerned, and the convenience and needs of the communities to be served.

Competitive effect of proposed transaction.—Applicant,

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gest banking organization in Colorado, has four ry banks with total deposits of $555 million.[1] All of diaries are located in the Denver Metropolitan area, largest subsidiary, First National Bank of Denver, s for all but $22 million of the total deposits held s in Applicant's organization. Acquisition of Bank s $39 million) would represent the first expansion licant since 1968, when it became a bank holding y through the acquisition of First National Bank of and three affiliated banks. Consummation of the proposal would increase Applicant's control of total posits from 14.7 per cent to 15.7 per cent.

is the second largest of six banks in Greeley, and nks in Weld County. The largest bank in the city nty is a subsidiary of Affiliated Bankshares of Colo- c. ("Affiliated Bankshares") and the third largest sidiary of Denver U.S. Bancorporation, Inc. ("Den- .."). Both Affiliated Bankshares and Denver U.S. k holding companies, and rank fourth and second respectively, among banking organizations in Colo- ffiliated Bankshares also owns three other banks in ounty, including two others in Greeley, and is the banking organization in both areas, controlling ent of deposits in Weld County and 41 per cent of held by banks in Greeley and its immediate en- Bank and State Bank of Greeley (deposits $2 mil- e the only independent banks in Greeley. Bank holds ent of deposits in Weld County, and 34 per cent of in Greeley.

nearest office of any of Applicant's present sub- banks is located about 50 miles from Greeley. Bank t attract a significant amount of business from the area. Of Applicant's subsidiary banks, only its subsidiary draws any meaningful amount of busi- m Greeley or Weld County, and such business, which n the main to a few large customers with credit hich could not be met by Greeley banks, does not indicative of substantial competition with Bank. gage company, the business of which was acquired licant's lead bank in 1968, had an office in Greeley

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[1] nking data are as of June 30, 1969, adjusted to reflect holding formations and acquisitions approved by the Board to date.

which is now operated as a loan production office of t bank. However, the activity of the office is limited by l to the solicitation of mortgage loan applications; loa made by the office are serviced by the Denver office of Fir National Bank of Denver. Two similar offices acquired the same time as the Greeley office have been closed, a Applicant is reportedly evaluating the advisability of cl ing the Greeley office. According to data furnished by A plicant, the volume of business generated by this office ha since its acquisition, fallen substantially short of produci fees sufficient to cover direct costs.

In connection with Applicant's proposal, the Board h considered a comment from the Department of Justic which concluded that:

> "[The acquisition] will eliminate substantial potent competition, and further entrench the present high concentrated banking structure in Greeley and We County. Moreover, it may trigger further acquisitio of leading local banks throughout Colorado by t large statewide holding companies, thereby reduci the possibility that additional holding companies w be created to offer competitive alternatives to the lar holding companies. In view of the potential antico petitive effects of this acquisition, we conclude that t granting of this application would have a significant adverse effect on competition."

It appears that the financial and managerial resour of Applicant are sufficient to enable it to enter into mea ingful competition in Greeley through establishment a acquisition of a *de novo* bank, and it may in that sense regarded as a potential competitor. The fact that such p tential exists, however, does not of itself lead to the co clusion that entry through the proposed acquisition wou substantially lessen competition. In the absence of evide indicating a probability (rather than a mere possibility) *de novo* entry or entry through a smaller acquisition, it the Board's judgment that the means chosen by Applica to expand into a new market should be prohibited only wh there are other circumstances which dictate such a p hibition.

In the present case, it is the Board's judgment that co centration in Greeley is not so high that any organizati with ability to enter *de novo* should be required to do

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ner than acquiring an existing competitor. This conclu-
is consistent with the view taken by the Board in 1965,
n it permitted Denver U. S. to acquire a bank in Greeley,
pite the fact that it had an ability to enter the area *de*
o comparable with that of Applicant. (*Application of*
wer U. S. Bancorporation, Inc.*, 1965 Federal Reserve
letin 811). More recently, the Board permitted Affiliated
kshares to acquire four established banks in the Greeley-
ld County area, and did not find concentration a sig-
cant bar to that proposal despite the fact that the four
ks controlled a much larger share of the market than
s Greeley Bank. (1969 Federal Reserve Bulletin 954).
here are other proposals of which the Board has knowl-
e which would alter the Colorado banking structure;
ever, only the present application is properly before
Board at this time. That the Colorado banking struc-
e is being changed by the organization and expansion of
k holding companies cannot be doubted. Similar changes
anking structure are taking place in the New England
tes, New Jersey, New York, Virginia, Florida, Missouri,
elsewhere. But there is no presumption that the *status*
in any State represents a competitive ideal; in each
e, the Board must base its determination on the effect
he particular proposal before it. Congress has not yet
en the Board authority to shape the banking structure
ny State or area by initiating changes, or by committing
lf to a course of action with respect to applications which
sfy some predetermined guidelines or some level of
centration ratios. In this case, the Board is not passing
possible acquisitions in Pueblo, Colorado Springs, or
ver. This case stands on its own merits, and Board
on here is without prejudice one way or another to sub-
uent applications, except as the size and competitive
uence of Applicant may be changed thereby.

he present proposal represents Applicant's first expan-
outside the Denver area. It will not dominate banking
reeley or any other area as a result of the acquisition.
hough one of the competitors in Greeley is also a leading
petitor in Denver, the largest banking organization in
eley, in terms of local operations, is a regional holding
pany with which Applicant does not presently compete
ny area. Consummation of this proposal, therefore,
ld not create a structure in Greeley mirroring that in

Denver or any other market. Sufficient diversity would be maintained to prevent the development of an anticompetitive community of interest, and Bank would be strengthened in its ability to provide meaningful competition. In view of these considerations, the Board concludes that approval of the present application would not substantially lessen competition in Greeley, and would not hinder the Board in dealing appropriately with any anticompetitive acquisitions in other areas of the State.

The Board concludes that consummation of Applicant's proposal would not result in a monopoly or be in furtherance of any combination, conspiracy, or attempt to monopolize the business of banking in any area, and would not substantially lessen competition, tend to create a monopoly, or restrain trade in any section of the country.

Financial and managerial resources and future prospects.—The financial condition of Applicant and its subsidiary banks is generally satisfactory, their management is capable, and prospects of the group appear favorable.

Bank's financial condition is satisfactory, as is its present management. There is a need for development of successor management, however, and Applicant could assist Bank in meeting this need. Bank's prospects, which appear favorable in any event, would be enhanced by affiliation with Applicant.

These considerations are consistent with, and lend some support toward, approval of the application.

Convenience and needs of the communities involved.—Consummation of the present proposal would not significantly affect customers served by Applicant's subsidiaries in the Denver area.

Weld County is one of the 10 leading counties in the country in agricultural production. In addition, industrial activity has begun to take place in the eastern portion of the county, in which area Greeley is located. The increasing credit demands created in the area as a result of these forces have strained the capacity of local banks to meet such needs, and the need for larger credit lines than could be supplied in the past by local banks has forced some borrowers to turn to non-local sources of credit. These facts are illustrated in the present record by Bank's 70 per cent loan-to-deposit ratio, and by the fact that Applicant's largest subsidiary in Denver has been serving some of the large agricultural borrowers in Greeley.

A large portion of the credit resources of Bank are devoted to serving agricultural customers. Applicant proposes, through a new subsidiary which it would establish, to assist in providing credit to agricultural communities served by its subsidiaries. It also proposes to assist Bank in developing its real estate department, and to arrange for placement by Bank of mortgage loans which it originates with institutional investors with whom Applicant's lead bank now has similar arrangements. Through these means, present demands on Bank's resources would be relieved, permitting Bank to supply additional credit to meet other needs of the area. Improvements are also proposed in the trust services offered by Bank.

These considerations support approval of the application.

Summary and conclusion.—On the basis of all relevant facts contained in the record, and in light of the factors set forth in section 3(c) of the Act, it is the Board's judgment that the proposed transaction would be in the public interest and that the application should be approved.

June 9, 1970.

CONCURRING STATEMENT OF GOVERNOR MITCHELL

My purpose in presenting a Concurring Statement is to provide some additional background data on the character of banking markets in Weld County pertinent to the issues of underbanking and concentration. The Table attached compares selected markets for financial institutions in Weld County and two counties adjacent to it, Larimer and Boulder. I have also considered each of the three counties as a market and compared the shares of deposit liabilities and assets held by each of the three major banking organizations in the county with the shares held by all other banks in the county as a group. This comparison has been made for several local bank asset and liability categories.

Is Weld underbanked, as contended by the minority? The Table shows that Weld is more fully banked relative to population than either of the other counties; 5,100 persons per banking office compared to 6,700 and 8,200 for Larimer and Boulder, respectively. There is nothing in these figures to indicate an underbanked situation; in fact, based on going experience under similar conditions of population density and branching limitations, the number of offices in Weld is entirely adequate. In approving the formation of

Affiliated Bankshares in 1969 the Board did not note an underbanked condition in Weld.

Another factor bearing on this issue and the competitive banking situation in Weld is the role of savings and loan associations. These intermediaries are often important competitors to banks in deposit markets. They turn out to be less important competitors, on the Table shown, in Weld than in either Boulder or Larimer. Thus, per capita total bank deposits are higher in Weld ($1,675) than in Larimer $1,490) or Boulder ($1,382) and most of the difference arises from larger savings and time accounts in Weld. If, however, the total of savings and loan share accounts are taken into account, the position of Weld is reversed and it ranks lower than either Larimer or Boulder. Obviously, banks in Weld have been more successful in meeting savings and loan competition than banks in the other counties. This is also evident from the fact that the number of time and savings accounts per capita is significantly higher in Weld (.44 compared to .38 and .36). These facts do not, however, undermine the initial judgment, because the population relationship to the combined number of banking and savings and loan offices also indicates Weld to be more adequately provided with offices than either of the other counties.

The other item of information bearing on adequacy of banking offices is the penetration of demand deposit markets as measured by number of checking accounts per capita. There are fewer in Weld (.39) than in Boulder (.48) or Larimer (.47). These relative numbers appear to reflect differences among the three counties in economic environment and in the promotion by their banks of small checking accounts.

Overall, the data suggest that banking conditions and structures in three counties are roughly comparable and that an additional office of a major bank by de novo entry is not needed in Weld. Similar data for areas of comparable population suggest that a fourth unit or holding company banking office in Greeley would likely dilute the quality of banking services by restircting opportunities for achieving economies of scale because of market fragmentation.

Further analysis shows that the largest banking organization in each county has about 40 per cent of the county market, using the crude measure of total deposits. The largest organizations are Affiliated Bankshares in Weld

(37%) and Boulder (40%) and Western Bancorporation in Larimer (37%). These shares are substantially inflated by disproportionate shares of deposits of local governments in the largest banks in Boulder and Larimer, and to a lesser extent by the relative concentration of larger time and demand deposit accounts in such banks in all three counties.

The total share of the market held by organizations other than the three largest in each county, again crudely, but in this instance more satisfactorily, measured by total deposits, is 21% in Weld, 10 banks; 22% in Larimer, 8 banks; and 32% in Boulder, 7 banks.

Analysis of the shares of various categories of assets and liabilities shows that certain institutions have specialized in particular areas of service; others have tried to maintain a balanced position in all of such areas. Applicant's proposed Greeley affiliate is of the latter type, so far as its liability structure is concerned, although it has had somewhat greater success in attracting savings deposits over $10,000. On the asset side, its real estate loans are minimal and the share of loans to individuals very low. On the other hand, it has much larger shares of State and local securities and commercial and industrial loans.

Market specialization, which at least theoretically could lead to dominant positions, is found in the holdings of State and local government deposits as well as the State and local security issues held by Western Bancorporation in Larimer and by Affiliated Bankshares in Boulder and, to a lesser degree, in Weld. However, there is little evidence that such specialization as exists has led to a dominant position by any bank in any of the private local deposit or asset markets. In fact, the data are pretty much to the contrary in indicating not only an absence of domination in particular markets, but in revealing efforts on the part of each of these banks or groups of banks to be competitive in most markets.

June 9, 1970.

TABLE

FINANCIAL INSTITUTION MARKETS IN WELD, LARIMER & BOULDER COUNTIES

	Weld	Larimer	Boulder
Population (thousands)	81.4	80.3	114.7
Banks (number—excl. industrial)	16	12	14
Population per banking office	5,100	6,700	8,200
Savings & loan offices	3	4	9
Population per banking and savings & loan office	4,300	5,000	5,000
Total bank deposits per capita	$1,675	$1,490	$1,382
Total bank deposits & savings & loan shares per capita	$2,021	$2,235	$2,172
IPC Demand Deposits			
Number of accounts (thousands)	31.3	37.9	55.0
Number of accounts per capita	.39	.47	.48
Demand as a per cent of total deposits	31	33	36
Per cent in accounts over $15,000	40	33	31
Average size of accounts under $1,000	$273	$208	$249
Total amount per capita	$520	$494	$501
Time & Savings Accounts			
Savings—number of accts. (thousands)	29.4	23.0	39.5
Time—number of accts. (thousands)	6.7	5.3	4.1
Savings—number of accts. per capita	.36	.29	.34
Time—number of accts. per capita	.08	.07	.04
Savings & Time—amount per capita	$822	$658	$592
Average size of savings accts. under $1,000	$272	$208	$249
Savings & loan accounts per capita	$346	$745	$790
Bank time & savings and savings & loan shares per capita	$1,168	$1,403	$1,382

Dissenting Statement of Governors Robertson, Maisel and Brimmer.

Applicant, whose lead bank serves large depositors and mortgage borrowers in Greeley, proposes to acquire the largest independent bank in that city. Consummation of the proposal would substantially lessen present and potential competition in the Greeley area. Not only are there no considerations which outweigh these anticompetitive effects, but other facts of record indicate that such effects will be accentuated by the pronounced trend toward concentration now occurring in Colorado, and that Greeley residents may be inconvenienced by the closing of the mortgage loan production office now serving the area. In our judgment, these facts, considered in the light of the statutory criteria, require that the application be denied.

Deposits of Greeley banks increased by more than $40 million, or about 55 per cent, in the five year period between June 1964 and June 1969, and further increases of the same magnitude may reasonably be expected in the future. Loan demand in the area has also been unusually strong. The area, long a leader in agricultural production, is now developing industrially as well. These facts, clearly indicative of banking opportunities, have not escaped Applicant's attention. Its lead bank now serves some of the largest customers in the area, and serves mortgage borrowers through a recently acquired loan production office in Greeley.

It is not unnatural, nor is it to be condemned, that Applicant should desire to participate more fully in the anticipated growth of the Greeley area. But instead of employing its considerable financial and managerial resources to expand its present operations to provide full banking services in Greeley, it proposes to buy out an effective competitor at a large price. Under its proposal, Applicant will exchange shares with a market value of $11.7 million for shares of Bank having a market value of about $5.3 million. Applicant thus will pay approximately 17 cents in premium for each dollar of deposits held by Bank.

If only a fraction of the expenses which Applicant will incur in connection with the proposed acquisition were to be spent in developing a new vehicle to expand its present operations in Greeley, it is clear that substantial new

competition would be created in the area. But an unusually high premium such as that involved here is not incurred in an effort to create or foster competition, but rather to avoid it. As a result of the payment, Applicant will achieve its desired place in the Greeley economy without necessity of competing for it, and the Greeley public will be denied the benefits, in price and service, which additional competition might engender.

Of itself, the effect of the elimination of present and potential competition between Applicant and Bank is sufficiently serious to preclude approval of Applicant's proposal. The setting in which the acquisition will occur—a rapidly accelerating trend toward concentration in markets throughout Colorado—underscores that anti-competitive effect.

There are six significant banking markets in the State of Colorado, centered in the cities of Denver, Colorado Springs, Boulder, Fort Collins, Greeley, and Pueblo. At present, Applicant and Denver U. S. Bancorporation, Inc. control the two largest banks in Denver. Denver U. S. also controls the third largest bank in Boulder, the third largest in Greeley, the second largest in Fort Collins, and the fourth largest in Pueblo. A regional holding company, Affiliated Bankshares of Colorado, Inc. controls the largest banks in Boulder, Greeley, and Colorado Springs, and the third largest in the Fort Collins area. Under proposals announced but not yet considered by the Board, Applicant would acquire the second largest bank in Colorado Springs and the largest bank in Pueblo, and Denver U. S. would acquire the third largest bank in Colorado Springs. Thus, approval of the present application and the other proposals mentioned, in the light of the present structure of the markets involved, would result in Applicant, Denver U. S., and Affiliated Bankshares controlling among them the two largest banks in Denver, the three largest in Colorado Springs and Greeley, two of the three largest in Boulder and in Fort Collins,[1] and two of the four largest in Pueblo. It is apparent that such a banking structure would leave little room for competition by other banking organizations, and it is clear to us that to allow such a structure to develop would be inconsistent with the Congressional mandate to

[1] The largest bank in Fort Collins is a subsidiary of Western Bancorporation, a California-based holding company.

control the expansion of bank holding companies so as to prevent the concentration of banking resources in a few large organizations.

The Board's majority has determined to await another day to interrupt this trend, if, indeed, it is to be interrupted at all. We recognize, as the majority does, that each case must be decided on its own merits. But precisely because we cannot now determine the merits of any proposal which may follow the present one, it is essential that the Board not now approve any acquisition in furtherance of that trend where approval is not clearly required by considerations bearing upon the public convenience and needs. It is possible that future cases may present a strong showing of such needs, so that, having permitted the first links of the chain which leads to oligopoly to be forged upon a minimal showing, the chain might be completed by more difficult cases. The only way to assure maintenance of a competitive structure once an anticompetitive trend is perceived is to require that every proposal which is in furtherance of such a trend be subjected to the closest scrutiny. The present proposal fails to withstand even a cursory inquiry.

In our view, the effect of consummation of Applicant's proposal will be to substantially lessen future competition in Greeley, in Weld County, and perhaps in other Colorado areas which might otherwise have been served by a new organization in which Bank could have significantly participated. Even if the anticompetitive effects of the proposal were to be regarded as less than substantial, we would not agree that its consummation will be in the public interest. The acquisition of a bank which has been actively serving the needs of its community does not forecast improvement in meeting area needs. Moreover, of clearly negative impact on community convenience and needs is the probable closing of a mortgage loan production office [2] which has originated almost $19 million in mortgage loans in Greeley which are now being serviced by Applicant's

[2] The Board's majority Statement suggests that this office might be closed at any rate, because of unprofitableness. The record indicates that Applicant has not yet determined the future of the office, except that it will likely be closed if the proposed acquisition is consummated. Assuming that the office cannot be profitably operated as a limited-service facility, Applicant would appear to have some incentive for expanding its activities under a new charter, if such incentive were not destroyed by approval of the present proposal.

lead Bank, including $1.7 million in new loans made durin
the first 10 months of 1969.

On all the facts of record, we believe the applicatio
should be denied.

June 9, 1970

DX-49

FEDERAL RESERVE

Press Release

For immediate release September 1, 1970

The Board of Governors of the Federal Reserve System has announced its denial, pursuant to the Bank Holding Company Act of 1956, of the application of The First National Bancorporation, Inc., Denver, Colorado, a registered bank holding company, for approval of the acquisition of more than 80 per cent of the voting shares of The First National Bank of Pueblo, Pueblo, California.

Attached are the Board's Order and Statement relating to this action.

Attachments

UNITED STATES OF AMERICA

BEFORE THE BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM

WASHINGTON, D. C.

In the Matter of the Application of

THE FIRST NATIONAL BANCORPORATION, INC.
Denver, Colorado,

for approval of acquisition of more than
80 percent of the voting shares of
The First National Bank of Pueblo,
Pueblo, Colorado.

ORDER DISAPPROVING ACQUISITION OF BANK STOCK
BY BANK HOLDING COMPANY

There has come before the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)) and section 222.3(a) of Federal Reserve Regulation Y (12 CFR 222.3(a)), an application by The First National Bancorporation, Inc., Denver, Colorado, a registered bank holding company, for the Board's prior approval of the acquisition of more than 80 per cent of the voting shares of The First National Bank of Pueblo, Pueblo, Colorado.

As required by section 3(b) of the Act, the Board gave written notice of receipt of the application to the Comptroller of the Currency, and requested his views and recommendation. The Comptroller recommended that the application be approved.

Notice of receipt of the application was published in the Federal Register on February 27, 1970 (35 Federal Register 3846), providing an opportunity for interested persons to submit comments and views with respect to the proposal. A copy of the application was forwarded to the United States Department of Justice for its consideration. Time for filing comments and views has expired and all those received have been considered by the Board.

IT IS HEREBY ORDERED, for the reasons set forth in the Board's Statement of this date, that said application be and hereby is denied.

By order of the Board of Governors, September 1, 1970.

Voting for this action: Chairman Burns and Governors Robertson, Mitchell, and Maisel.

Absent and not voting: Governors Daane, Brimmer, and Sherrill.

/s/ Elizabeth L. Carmichael
ELIZABETH L. CARMICHAEL,
Assistant Secretary.

(SEAL)

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

APPLICATION BY
THE FIRST NATIONAL BANCORPORATION, INC., DENVER, COLORADO, FOR APPROVAL OF THE ACQUISITION OF VOTING SHARES OF THE FIRST NATIONAL BANK OF PUEBLO, PUEBLO, COLORADO

STATEMENT

The First National Bancorporation, Inc., Denver, Colorado ("Applicant"), a registered bank holding company, has applied to the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)), for prior approval of the acquisition of more than 80 per cent of the voting shares of The First National Bank of Pueblo, Pueblo, Colorado ("Bank").

Views and recommendation of supervisory authority.—As required by section 3(b) of the Act, the Board notified the Comptroller of the Currency of receipt of the application and requested his views and recommendation thereon. The Comptroller recommended approval of the application.

Statutory considerations.—Section 3(c) of the Act provides that the Board shall not approve an acquisition that would result in a monopoly or would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States. Nor may the Board approve a proposed acquisition the effect of which, in any section of the country, may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint of trade, unless the Board finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the communities to be served. In each case, the Board is required to take into consideration the financial and managerial resources and future prospects of the bank holding company and the banks concerned, and the convenience and needs of the communities to be served.

Competitive effect of proposed transaction.—Applicant, which has five subsidiary banks with total deposits of $570 million,[1] is presently the second largest banking organization in Colorado in terms of State deposits; it is only slightly smaller than the State's largest banking organization, another Denver-based holding company. Acquisition of Bank ($54 million deposits) would increase Applicant's share of deposits in the State from 14.5 per cent to 15.9 per cent, and it would become the largest banking organization in the State. The share of State deposits held by the two largest banking organizations would increase from 29.5 per cent to about 31 per cent.

Applicant's present subsidiaries are located between 98 and 160 miles from Pueblo, the situs of Bank's only office. No significant competition presently exists between Bank and those subsidiaries.

There are, nevertheless, significant competitive issues presented by Applicant's proposal. Bank is by far the largest of seven banks in Pueblo County, accounting for 39.5 per cent of county deposits—about one-third more than the area's second largest bank. Bank would be the second bank in the area to be affiliated with a bank holding company; the area's fourth largest bank ($15.4 million deposits) is a subsidiary of Denver U. S. Bancorporation, Inc., the other large Denver-based bank holding company.

In connection with its review of the application, the Board has considered a comment received from the Department of Justice, which concluded that consummation of the proposal "would have a significantly adverse effect on competition." Specifically, the Department took the position that the proposal would serve to entrench the highly concentrated banking structure in Pueblo County and eliminate the potential that Applicant might enter the market either through establishment of a new bank or acquisition of a smaller bank, or that Bank might meaningfully participate in the competitive efforts of another organization which would offer an alternative to Applicant and the other large

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[1] All banking data are as of December 31, 1969, adjusted to reflect holding company formations and acquisitions approved by the Board to date. Included among Applicant's subsidiaries is The First National Bank of Greeley, Greeley, Colorado ($40 million deposits), acquisition of which was approved by the Board on June 9, 1970. Consummation of that acquisition has been delayed by litigation instituted by the United States Department of Justice.

banking organizations in the State of Colorado. The Department also expressed concern that approval of the proposal might trigger other acquisitions which would lead to the domination of most principal markets in the State by a few bank holding companies.

Applicant, in response to the Department's comments, indicated its view that the Pueblo market was not an attractive area for new entry, and stated that acquisition of a smaller bank in the area would not enable it to accomplish the objectives of the instant proposal. It also contended that Bank lacks the management resources to operate, or contribute significantly to the operation of, a bank holding company.

In approving an application by Applicant to acquire The First National Bank of Greeley, Greeley, Colorado (1970 Federal Reserve Bulletin 539), a majority of the Board expressed the view that the proper approach to competitive questions presented by prospective structural changes in Colorado banking is to determine, on a case-by-case basis, the desirability or undesirability of the structural changes which would result from the proposal involved. Based on the particular facts of that case, the Board concluded that competition would not be unduly threatened by consummation of the proposal, but indicated its determination to deal appropriately with anticompetitive proposals in other parts of the State.

Those members of the Board who have considered the present proposal are unanimous in the view that its consummation would preclude possible alternative affiliations or *de novo* entry which would almost certainly result in a more competitive environment in the Pueblo area. Unlike the bank involved in the *Greeley* case, Bank is the dominant institution in its market. It is, moreover, the second largest independent bank in the entire State of Colorado, and the largest outside the Denver area. Despite the fact that the Pueblo area has a relatively high ratio of population to banking offices, the economy of the area has been stagnant, particularly as compared with other areas of the State. The area, therefore, cannot be considered more than moderately attractive for new entry. There are, however, several smaller banks in the area, the acquisition of any of which would be competitively preferable to the present proposal. Also, to the extent that deconcentration through *de novo*

entry may be said to be unlikely, greater significance must be attached to the present proposal's likely effect of increasing the already wide disparity in the competitive positions of Bank and its smaller rivals. Finally, while the ability of Bank to serve as a lead bank in a significant statewide organization may be subject to question, its utility as a vehicle through which a smaller holding company might achieve meaningful entry into the Pueblo area cannot be seriously doubted. And even if it were to be assumed that the only result of denial of the present proposal would be to preserve the existing structure of banking in Pueblo, it is the Board's judgment that the preservation of significant independent competitors in the principal Colorado markets is much to be preferred to the alternative of permitting the development of a situation in which such markets are all dominated by one or another of the largest banking organizations in the State.

A consideration which could be argued to provide some offsetting weight to these anticompetitive effects is that consummation of the proposal would dissolve an affiliation now existing between Bank and Park National Bank ($4 million deposits), a suburban bank which is the sixth largest in the Pueblo area, thereby removing an impediment to competition between the two banks. However, in view of the limited size of Park National Bank, and its lack of a downtown location, it appears to be in a disadvantageous position to exert a significant competitive impact on Bank, especially if the latter were affiliated with Applicant, and the Board therefore accords little weight to the possible procompetitive effects of its disaffiliation from Bank.

Based on the foregoing, the Board concludes that consummation of Applicant's proposal would not result in a monopoly or be in furtherance of any combination, conspiracy, or attempt to monopolize the business of banking in any area. However, the anticompetitive effects of the proposal, both within the Pueblo area and in other Colorado areas which would be deprived of the benefits of possible alternative affiliations by Bank which would be foreclosed by the present proposal, are sufficiently serious as to provide significant weight against approval of the application.

Financial and managerial resources and future prospects.—The financial condition of Applicant and its subsidiary banks is generally satisfactory, their management is capable, and prospects of the group are favorable.

The financial condition and management of Bank are satisfactory, and its prospects, whether operating independently or as a subsidiary of Applicant, are favorable. These considerations, while consistent with approval of the application, provide no significant weight in support of such action.

Convenience and needs of the communities involved.—Consummation of Applicant's proposal would have no significant effect on the convenience and needs of communities served by its present subsidiaries.

Pueblo is a city with a population of 105,000, located at the foot of the Rocky Mountains, 110 miles south of Denver. A large percentage of the city's labor force is unskilled, and is employed by the city's largest corporation. Because of the lack of economic diversification, the city's growth rate has been slow in comparison with other cities on the eastern slope of the Rocky Mountains—about 16 per cent in the past decade. There are some indications of likely future growth, however, the most important of which is the Frying Pan-Arkansas Water Division project, which will supplement irrigation and water supplies, produce hydro-electric power, and provide new recreational facilities.

Bank and other banks in Pueblo provide all the usual services required in a city of its size, including trust services. The principal benefits which Applicant claims would result from the acquisition trace to its proposal to increase the social consciousness of Bank, in order that it will participate more fully in programs to aid the economically disadvantaged in the area. It does not appear that consummation of the proposal would make possible the provision of any significant new services which are beyond Bank's present ability to render, particularly in the light of a close and long-standing correspondent relationship with Applicant's lead bank.

These considerations provide some weight in support of the proposal, but fail to outweigh the serious anticompetitive effects noted earlier.

Summary and conclusion.—On the basis of all relevant facts contained in the record, and in the light of the factors set forth in section 3(c) of the Act, it is the Board's judgment that the proposed transaction would not be in the public interest and that the application should be denied.

September 1, 1970.

DX-50

UNITED STATES DEPARTMENT OF JUSTICE
WASHINGTON, D.C. 20530

September 10, 1970
Received 11, 1970 by Board

Address Reply to the
Division Indicated
and Refer to Initials and Number
WBC:DIB:CLW
60-111-900-46

Honorable Arthur F. Burns
Chairman
Board of Governors of the
Federal Reserve System
Washington, D.C. 20551

Dear Mr. Chairman:

Pending before the Board of Governors of the Federal Reserve System is the application of the First National Bancorporation, Inc. ("Bancorporation"), Denver, Colorado for prior approval to acquire, pursuant to Section 3(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)), 80 per cent or more of the voting shares of the Exchange National Bank of Colorado Springs ("Exchange"), Colorado Springs, Colorado and Security State Bank of Sterling ("Security"), Sterling, Colorado.

1. *The Applicants*

Bancorporation is a bank holding company organized in 1968; its four subsidiaries are all located in the Denver Standard Metropolitan Statistical Area ("SMSA"). First National Bank of Denver, the lead bank in the group, is the largest bank in the State of Colorado. As of April 30, 1970, it had total deposits of $465.8 million (including IPC demand deposits of $209.6 million) and loans and discounts of $331.3 million. Bancorporation's other affiliates are the First National Bank of Bear Valley, The First National Bank of North Glen and the First National Bank of Southglenn. As of December 31, 1969, these three affiliates had total deposits of $9.7 million, $8.0 million and $4.8 million, respectively. As of June 29, 1968, Bancorporation's constituent banks had approximately 22 per cent of the total

deposits held by the 87 banks in the Denver SMSA, and 14 per cent of the total deposits held by the 252 banks in the entire state.[1]

Exchange is the second largest bank in the City of Colorado Springs, El Paso County, Colorado; and the second largest independent bank in Colorado outside of Denver. As of December 31, 1969, it had total deposits of $50 million (including IPC demand deposits of $25.6 million) and loans and discounts of $32.3 million.

Security is the largest bank in Sterling, Logan County, Colorado. As of April 30, 1970, it had total deposits of $22.1 million (including IPC demand deposits of $8.1 million) and loans and discounts of $15.7 million.

2. *The Area*

The principal service area of Bancorporation's existing affiliates is the Denver SMSA, the largest population and business center in Colorado. Denver is also the financial center in Colorado. The principal business area of Exchange is the Colorado Springs SMSA, which consists of El Paso County. The City of Colorado Springs (population 125,000), the county seat, is located in southeast Colorado about 65 miles south of Denver.

The City of Colorado Springs is a manufacturing and commercial center. El Paso County foresees growth based on tourism, military spending, and industry. Banking in Colorado Springs and El Paso County is dominated by four banking organizations including Exchange which control over 75 per cent of all commercial bank deposits in the county.

The principal business area of Security is Sterling (population 10,403) and Logan County (population 18,390). Sterling is located 128 miles northeast of Denver and 102 miles east of Greeley. Sterling and Logan County are primarily agricultural areas and have experienced some economic growth in the past decade. Security is the largest of four banks serving Logan County and holds over 50 per cent of all commercial bank deposits in the county.

3. *Effect on Direct Competition*

Neither Exchange nor Security competes directly with the

[1] Data derived from FDIC Summary of Accounts and Deposits, June 29, 1968.

present subsidiaries of Bancorporation for retail banking business.

However, since First National Bank of Denver, Bancorporation's principal subsidiary, is one of the most important wholesale banks in Colorado, providing country banks with participation loan funds and various services and receiving correspondent deposits in return, it may well be that this merger will create significant vertical foreclosure at both the wholesale and retail levels. The merger may disadvantage banks that are not part of holding companies, triggering other merger attempts and raising barriers to the entry or development of new competitors.

4. *Effect on Potential Competition*

Commercial banking in El Paso County is highly concentrated. As of June 29, 1968, Exchange, the second largest bank in the county, had 19 per cent of total deposits and 18 per cent of IPC demand deposits. The county's two largest banking organizations held over 52 per cent of total commercial bank deposits and 52 per cent of IPC demand deposits. The four largest banking organizations (which control six of the 19 banks in the county) held over 75 per cent of total deposits and 75 per cent of IPC demand deposits. The acquisition of the second largest bank in this highly concentrated market by Bancorporation may further entrench both its leadership position and the existing oligopoly, thereby deterring new entry and lessening the possibility of future deconcentration.

Commercial banking in Sterling and Logan County is highly concentrated. Security is the largest of the four banks in the county and holds over 50 per cent of all commercial bank deposits in the county. The acquisition of such a bank by Bancorporation may further entrench both its leadership position and the existing oligopoly, thereby lessening the possibility of future deconcentration.

Colorado law prohibits branch banking. However, it allows bank holding companies such as Bancorporation to expand into new markets either by chartering new banks or acquiring existing ones. Bancorporation has evidenced its interest in expanding into economically growing areas in its report to its shareholders. The Colorado Springs SMSA is a growing market which will require additional banks in the foreseeable future. Sterling is an important economic

center with an expanding economy. In view of these facts, it must be concluded that Bancorporation is one of the most important potential competitors in El Paso County either through *de novo* entry or by acquisition of one of the several smaller banks located in the county, and into Logan County through acquisition of one of the smaller banks in the county.

An objective analysis would indicate that not only is Bancorporation a potential competitor, but that of a relatively small number of such competitors, and it is probably one of the two most important; the other is United Banks of Colorado (which itself has an application pending to buy the third largest bank in Colorado Springs).[2] There are presently five other banking organizations in the state which have deposits of over $100 million, one of which already controls the largest banking organization in El Paso County, and another of which is a holding company based in California (Western Bancorporation) which is not eligible to expand in Colorado. The three others are each less than half the size of Bancorporation and most have not expanded beyond their present bases.

Another factor which should be taken into account is that banking in Colorado is presently undergoing a substantial concentration. The Board has recently approved the establishment of a new holding company involving 13 banks in various parts of the State outside of Denver. *In the matter of the application of Affiliated Bankshares of Colorado, Inc.*, 1969 Fed. Res. Bull. 954. The two largest holding companies in the state (United Banks of Colorado and Bancorporation) have sought or announced plans to make various acquisitions throughout the state; these include the four largest independent banks outside of Denver. Thus, there is an apparent trend toward reorienting the leading banks in various local markets in Colorado around a few state-wide holding companies which, in the case of Bancorporation and United Banks of Colorado, Inc., are themselves oriented around the leading banks of Denver.

This acquisition is one of five proposed by Bancorpo-

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[2] See competitive report of the Department of Justice dated February 13, 1970.

ration.[3] One has been rejected by the Board. Taken together, the remaining four acquisitions, if approved and consummated, would increase its share of Colorado bank deposits from 14 per cent to 17 per cent. If all the pending acquisitions announced by the four largest Colorado registered bank holding companies are approved and consummated, the share of Colorado bank deposits held by such companies would increase from about 43 per cent to 49 per cent.

Exchange is now the second largest bank in Colorado outside of Denver not owned by a registered bank holding company. The largest, The First National Bank in Pueblo, is controlled by the same persons who control Exchange; Bancorporation's attempt to acquire it has recently been rejected by the Board. There are relatively few independent banks in Colorado that are of a size that would permit them to play major roles in the formation of new holding companies. cf. *First Empire State Corporation*, 55 Fed. Res. Bull. 738 (1969). Exchange is a bank which could make a substantial contribution to a new holding company, particularly considering its location in a rapidly growing county and its present activity as a small correspondent bank. Security could also make a significant, although less important, addition to a new holding company seeking state-wide coverage.

5. *Conclusion*

These acquisitions involve the acquisition by the second largest holding company in the state of the second largest bank in a large and rapidly growing but local market and the largest bank in another smaller local market. Such a combination can result in substantial vertical foreclosures, and it will eliminate substantial potential competition in El Paso County and further entrench the present highly-concentrated banking structure in both El Paso and Logan Counties. Moreover, it may trigger further acquisitions of leading local banks throughout Colorado by the large state-wide holding companies thereby reducing the possibility

[3] The Board has already approved Bancorporation's acquisition of the First National Bank of Greeley. The Department of Justice has sued to block that acquisition. *United States* v. *First National Bancorporation*, D. Colo. Civil Action No. C-2413.

that additional holding companies will be created to offer competitive alternatives to the dominant, established holding companies. In view of the anticompetitive potential of these acquisitions, especially when taken in conjunction with other pending proposals, we conclude that the granting of these applications would have a significantly adverse effect on competition.

Sincerely yours,

RICHARD W. MCLAREN
Assistant Attorney General
Antitrust Division

Donald I. Baker
By: DONALD I. BAKER
Deputy Director of Policy Planning

DX-51

FEDERAL RESERVE

Press Release

For immediate release November 3, 1970.

The Board of Governors of the Federal Reserve System has announced its approval, pursuant to the Bank Holding Company Act of 1956, of the application of The First National Bancorporation, Inc., Denver, Colorado, a registered bank holding company, for approval of the acquisition of 80 per cent or more of the voting shares of The Security State Bank of Sterling, Sterling, Colorado.

Attached are the Board's Order and accompanying Statement. Governor Robertson dissented from the Board's action, without a separate Statement.

Attachments

UNITED STATES OF AMERICA
BEFORE THE BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON, D. C.

In the Matter of the Application of

THE FIRST NATIONAL BANCORPORATION, INC.,
Denver, Colorado,

for approval of acquisition of 80 per cent or more of the voting shares of The Security State Bank of Sterling, Sterling, Colorado.

ORDER APPROVING ACQUISITION OF BANK STOCK
BY BANK HOLDING COMPANY

There has come before the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act *of* 1956 (12 U.S.C. 1842(a)(3)) and section 222.3a) of Federal Reserve Regulation Y (12 CFR 222.3(a)) an application by The First National Bancorporation, Inc., Denver, Colorado, a registered bank holding company, for the Board's prior approval of the acquisition of 80 percent or more of the voting shares of The Security State Bank of Sterling, Sterling, Colorado.

As required by section 3(b) of the Act, the Board gave written notice of receipt of the application to the Colorado State Banking Commissioner, and requested his views and recommendation. The Commissioner replied on behalf of the State Banking Board that they offered no objection to approval of the application.

Notice of receipt of the application was published in the Federal Register on July 25, 1970 (35 Federal Register 12040), providing an opportunity for interested persons to submit comments and views with respect to the proposal. A copy of the application was forwarded to the United States Department of Justice for its consideration. The time for filing comments and views has expired and all those received have been considered by the Board.

It is hereby ordered, For the reasons set forth in the Board's Statement of this date, that said application be and

ereby is approved, provided that the acquisition so approved shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Kansas City pursuant to delegated authority.

By order of the Board of Governors, November 3, 1970.

Voting for this action: Chairman Burns and Governors Mitchell, Maisel, and Sherrill.

Voting against this action: Governor Robertson.

Absent and not voting: Governors Daane and Brimmer.

/s/ Kenneth A. Keyon
KENNETH A. KENYON,
Deputy Secretary.

SEAL)

Board of Governors of the Federal Reserve System

Application by The First National Bancorporation, Inc., Denver, Colorado for Approval of the Acquisition of Voting Shares of the Security State Bank of Sterling, Sterling, Colorado

Statement

The First National Bancorporation, Inc., Denver, Colorado ("Applicant"), a registered bank holding company, has applied to the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)), for prior approval of the acquisition of 80 per cent or more of the voting shares of The Security State Bank of Sterling, Sterling, Colorado ("Bank").

Views and recommendation of supervisory authority.—As required by section 3(b) of the Act, the Board gave written notice of receipt of the application to the Colorado State Banking Commissioner and requested his views and recommendation. The Commissioner replied on behalf of the State Banking Board that they offered no objection to approval of the application.

Statutory considerations.—Section 3(c) of the Act provides that the Board shall not approve an acquisition that would result in a monopoly or would be in furtherance of any combination or conspiracy to monopolize or attempt to monopolize the business of banking in any part of the United States. Nor may the Board approve a proposed acquisition, the effects of which, in any section of the country, may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint of trade, unless the Board finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the effect of the transaction in meeting the convenience and needs of the communities to be served. In each case, the Board is required to take into consideration the financial and managerial resources and future prospects of the bank holding company and the banks concerned, and the convenience and needs of the communities to be served.

Competitive effect of the proposed transaction.—Applicant, the second largest bank holding company and the second largest banking organization in Colorado, controls five banks with aggregate deposits of $570 million, representing 14.5 per cent of the commercial bank deposits in the State.[1] On acquisition of Bank ($23 million deposits), Applicant would remain the second largest banking organization and holding company, and its share of deposits would be increased by less than 1 per cent.

Bank is located in Sterling, Logan County (county population 18,390) which is 120 miles northeast of Denver. It is the largest of four banks in the county, holding 53 per cent of the deposits therein. Bank is over 100 miles from any of Applicant's banking subsidiaries. In the light of the distances involved and the State law prohibiting branch banking, consummation of the prposed acquisition would not eliminate substantial present competition nor foreclose significant potential competition between Bank and Applicant's present subsidiaries.

In connection with its review of the application, the Board has considered a view expressed by the Department of Justice that consummation of the proposed acquisition "would have a significantly adverse effect on competition." Specifically, the Department took the position that the proposal would entrench the present concentrated banking structure in Logan County in that it would eliminate the possibility that Applicant might enter the market either through the establishment of a new bank or acquisition of a smaller bank, or that Bank might make a significant addition to a new holding company seeking statewide coverage. The Department also expressed concern that approval of the proposal might trigger further acquisition of leading local banks throughout Colorado by the large State-wide holding companies.

On the facts of the present case, the Board disagrees with that analysis. Despite Bank's relative size, it does not appear to dominate area banking; the second largest bank

[1] All banking data are as of December 31, 1969, and reflect holding company formations and acquisitions approved by the Board to date, including Applicant's acquisition of First National Bank of Greeley ($40 million deposits), which was approved by the Board on June 9, 1970. Consummation of that acquisition has been delayed by litigation instituted by the Department of Justice.

in the County has nearly doubled in size since 1960, and the third largest, which was organized in 1962, now has more than $7 million, or 17 per cent of the County's deposits. Moreover, even if Applicant's entry *de novo*, or by acquisition of a smaller bank might ordinarily be competitively preferable, there are circumstances in the present case which point toward a contrary conclusion. Not only is there no evidence to suggest that Applicant would pursue such a course, but objective data appear to indicate that entry through alternative means is unlikely. The population-to-bank ratio in the County is less than half the State average, and the preliminary 1970 census indicates a decreasing population. With respect to the possibility of entry through a smaller acquisition, there is evidence that there are no other banks available for acquisition which would permit Applicant to achieve a meaningful competitive posture in the area; over and above that, however, the desirability of such alternatives must be considered in the light of the close relationship that has existed between Bank and Applicant's largest subsidiary (First National of Denver) for over 45 years. The Executive Vice President of First National and his close relatives control 90 per cent of the stock of Bank. It does not appear that the ends of competition would be served if Applicant owned one bank in Sterling and its Executive Vice President owner another.

In light of the above circumstances, the Board concludes that the consummation of the proposed transaction would not result in a monopoly, nor be in furtherance of any combination, conspiracy, or attempt to monopolize the business of banking in any part of the United States, and would not restrain trade, substantially lessen competition or tend to create a monopoly in any section of the country.

Financial and managerial resources and future prospects.—The financial condition of Applicant, its subsidiaries, and Bank is presently satisfactory and the prospects of each are favorable. The management of Applicant and its subsidiaries is competent. Depth in management of Bank is somewhat lacking and affiliation with Applicant would tend to assure competent management succession for Bank through Applicant's staffing and training facilities.

Considerations relating to the banking factors lend weight in favor of approval of the application.

Convenience and needs of the communities concerned.—

Logan County's economy is dependent on a four-pronged agriculture base-cattle ranching, cattle feeding, raising irrigated cash crops, and raising wheat. Applicant intends to provide a more formal and permanent allocation of funds necessary to meet and sustain the large credit needs which a progressive agricultural economy demands. Additionally, through the affiliation, Applicant plans to supply Bank's customers with services available only from larger banking organizations. For example, Applicant proposes to augment Bank's trust services through tax consultation and investment advice.

The convenience and needs factors lend additional weight in favor of approval of the application.

Summary and conclusion.—On the basis of all relevant facts contained in the record, and in the light of the factors set forth in section 3(c) of the Act, it is the Board's judgment that the proposed acquisition would be in the public interest and that the application should be approved.

November 3, 1970.

DX-52

FEDERAL RESERVE

Press Release

For immediate release January 4, 1971

The Board of Governors of the Federal Reserve System has announced its denial, pursuant to the Bank Holding Company Act of 1956, of the application of The First National Bancorporation, Inc., Denver, Colorado, a registered bank holding company, for approval of the acquisition of 80 per cent or more of the voting shares of Montbello State Bank, Denver, Colorado.

Attached are the Board's Order and Statement relating to this action. Also attached is the Dissenting Statement of Chairman Burns and Governors Daane and Sherrill.

Attachments

UNITED STATES OF AMERICA
BEFORE THE BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON, D. C.

In the Matter of the Application of

THE FIRST NATIONAL BANCORPORATION, INC., Denver, Colorado,

for approval of acquisition of more than 80 per cent of the voting shares of Montbello State Bank, Denver, Colorado.

ORDER DISAPPROVING ACQUISITION OF BANK STOCK BY BANK HOLDING COMPANY

There has come before the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)) and section 222.3(a) of Federal Reserve Regulation Y (12 CFR 222.3(a)), an application by The First National Bancorporation, Inc., Denver, Colorado, a registered bank holding company, for the Board's prior approval of the acquisition of more than 80 per cent of the voting shares of Montbello State Bank, Denver, Colorado.

As required by section 3(b) of the Act, the Board gave written notice of receipt of the application to the Colorado State Bank Commissioner and requested his views and recommendation. The Commissioner offered no objection to approval of the application.

Notice of receipt of the application was published in the Federal Register on September 11, 1970 (35 Federal Register 14352), providing an opportunity for interested persons to submit comments and views with respect to the proposal. A copy of the application was forwarded to the United States Department of Justice for its consideration. Time for filing comments and views has expired and all those received have been considered by the Board.

It is hereby ordered, For the reasons set forth in the Board's Statement of this date, that said application be and hereby is denied.

By order of the Board of Governors, January 4, 1971.

Voting for this action: Governors Robertson, Mitchell, Maisel, and Brimmer.

Voting against this section: Chairman Burns and Governors Daane, and Sherrill.

/s/ Kenneth A. Kenyon
KENNETH A. KENYON
Deputy Secretary.

(SEAL)

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

APPLICATION BY
THE FIRST NATIONAL BANCORPORATION, INC., DENVER, COLORADO, FOR APPROVAL OF THE ACQUISITION OF VOTING SHARES OF MONTBELLO STATE BANK, DENVER, COLORADO

STATEMENT

The First National Bancorporation, Inc., Denver, Colorado ("Applicant"), a registered bank holding company, has applied to the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)), for prior approval of the acquisition of 80 per cent or more of the voting shares of Montbello State Bank, Denver, Colorado ("Bank").

Views and recommendation of supervisory authority.—As required by section 3(b) of the Act, the Board notified the Colorado State Bank Commissioner of receipt of the application and requested his views and recommendation thereon. The Commissioner, replying on behalf of the Colorado State Banking Board, offered no objection to approval of the application.

Statutory considerations.—Section 3(c) of the Act provides that the Board shall not approve an acquisition that would result in a monopoly or would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States. Nor may the Board approve a proposed acquisition the effect of which, in any section of the country, may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint of trade, unless the Board finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the communities to be served. In each case, the Board is required to take into consideration the financial and managerial resources and future prospects of the bank holding company and the banks concerned, and the convenience and needs of the communities to be served.

Competitive effect of proposed transaction.—Applicant controls six subsidiary banks with total deposits of $593 million and is, by a small margin, the second largest banking organization and bank holding company in Colorado.[1] Upon acquisition of Bank (deposits $1.7 million), Applicant would remain the State's second largest banking organization and its share of State deposits would increase by only .1 per cent.

Bank, which was established in February of 1969, is located on a thruway on the southern fringe of the development of Montbello, a privately planned residential, commercial, and industrial community in Denver. It is envisioned that the Montbello complex will house 40,000 persons and employ 10,000 to 12,000 persons by 1975. Although Bank is a relatively small bank, it has been affiliated since its inception with Aurora National Bank (deposits $13 million), which is located in Aurora, the nearest community to Montbello. Common stockholders own 87 per cent of Aurora National Bank and 91 per cent of Montbello Bank.

Applicant's lead bank, First National Bank of Denver ("First National") (deposits $507 million) and three other subsidiaries are located in the Denver area. The combined deposits of these subsidiaries constitute over 22 per cent of area deposits, the largest share held by any banking organization in the Denver market. The lead bank, situated about 10 miles southwest of Bank, derives business, the bulk of which consists of commercial and real estate loans, directly from Bank's service area. First National has banking relationships with almost half of the firms located in the Montbello industrial park, and also operates a facility at Fitzsimmons General Hospital two miles south of Bank, which, despite restrictions on solicitation of business, has about $3 million in deposits. Consummation of the proposed acquisition would thus eliminate present competition between Bank and Applicant's subsidiaries.

From Applicant's standpoint, the purpose of the present proposal is to obtain a charter to serve the Montbello development. The developers of Montbello, who control all

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[1] All banking data are as of December 31, 1969, and reflect holding company acquisitions approved by the Board to date, including Applicant's acquisition of First National Bank of Greeley ($40 million deposits), which was approved by the Board on June 9, 1970. Consummation of that acquisition has been delayed by litigation instituted by the Department of Justice.

commercial property within the development, refused to lease a site to Bank at the time of its establishment, apparently because of Bank's unwillingness to agree to terms which would provide the developers a management and ownership interest in Bank. Applicant proposes, after acquiring Bank at a high premium, to move it to a site within Montbello. Under the proposal originally filed with the Board, the developers of Montbello would be allotted two seats on Bank's Board, and would have an option to acquire shares of Applicant.

In considering this application, it has been a matter of concern to the Board that, upon its acquisition of Bank, Applicant would have the only banking office in the immediate Montbello area, and, with the close relationship which would be established between Bank and the developers, that situation might be perpetuated. Belatedly, the Board has been advised that the developers would waive their option to acquire shares of Applicant, and would pledge that "should the area develop to the point where a second bank is necessary or appropriate, and subject to the concurrence of the regulatory authorities and the availability of space," additional banking tenants would be admitted to the development. Assuming the good faith of the developers in giving this assurance, the Board is nevertheless of the view that the elimination of a present competitor in the area is not justified by the hope that competition will be provided by another source.

Applicant reportedly has considered establishing a new bank in Montbello, a course which appears most appropriate both to the preservation of present and potential competition and to the service of the banking needs of the Montbello community. The proposed alternative was adopted because it was felt unlikely that chartering authorities would authorize a new bank in the area, in view of the recent establishment of Bank and the adverse effect which a new bank with a locational advantage might have on its operations. It appears, however, that Montbello, like most sections of the Denver area, could support additional banking institutions. That being the case, consideration of the public interest dictates that Applicant's entry into that area be through establishment of a new bank, rather than through acquisition of the only bank now located in the area. Bank, particularly in view of its affiliation with

Aurora National Bank, should be capable of withstanding reasonable competition. The Board cannot lightly assume, especially in view of the large premium contemplated in the present proposals, that both the organizers of Bank and its chartering authority incorrectly assessed the prospects of Bank at the time of its establishment. Neither can we assume that regulatory authorities with chartering responsibility will be less sensitive than the Board itself to the benefits which new entry in this growing area would provide to competition and the public convenience. Finally, nothing in the present record justifies the Board in conferring on the largest banking organization in the Denver area an exclusive license of uncertain duration to serve Montbello.

Consummation of the proposal would eliminate substantial present competition, and foreclosure significant potential competition within the Montbello community.

Financial and managerial resources and future prospects.—The financial condition of Applicant and its subsidiary banks is generally satisfactory, their managements are capable, and prospects of the group are favorable.

The financial condition and management of Bank are satisfactory and its prospects, based upon the projected growth of the Montbello area, and in the light of its affiliation with Aurora National Bank, are favorable.

These considerations provide no weight toward approval of the application.

Convenience and needs of the communities involved.—Consummation of the instant proposal would have no effect on areas presently served by Applicant's subsidiaries, with the exception of the Montbello area.

It is contended that because of the size and location, Bank is unable to provide for many of the needs of the Montbello area, which would be available from an organization of Applicant's size. It appears, however, that Bank, particularly in view of its affiliation with Aurora National Bank, is capable of meeting most needs of smaller and medium-sized customers in Montbello. Although its location is not as convenient as one within the community, it does not appear to represent a serious inconvenience to Montbello residents and businesses. Commercial needs which cannot be met by Bank can be, and are being, met with

reasonable convenience by larger banks in downtown Denver.

The establishment of competitive facilities in the Montbello area by a bank affiliated with an organization such as Applicant would represent a major convenience to residents and businesses in that area. But the present proposal does not envision *competitive* facilities; on the contrary, its consummation might well preclude establishment of consumer alternatives, despite the area's developing needs. Any benefits to the community which might result from the proposal could be attained through means which do not involve the serious anticompetitive effects of this proposal. These considerations, therefore, fail to outweigh the adverse effects of the proposal on competition.

Summary and conclusion.—On the basis of all relevant facts contained in the record, and in the light of the factors set forth in section 3(c) of the Act, it is the Board's judgment that the proposed transaction would have adverse effects on competition which would not be outweighed by any other considerations. Consummation of the proposal, therefore, would not be in the public interest and the application should be denied.

January 4, 1971

DISSENTING STATEMENT OF CHAIRMAN BURNS AND GOVERNORS DAANE AND SHERRILL

In our opinion, Applicant's acquisition of Bank, which has been established for less than two years and which has less than $2 million in deposits, would have no significant adverse effect on competition. The proposal would provide a means for assuring the Montbello community full banking services at a convenient location, which Bank is unable to do at present. For these reasons, and on the basis of the factors set forth in the Bank Holding Company Act, we would approve the application.

Applicant's proposal results from a dilemma jointly faced by Applicant, Bank, and residents and businesses in the Montbello area. Applicant, desirous of meeting the developing needs of the community for convenient banking services, is precluded from establishing a new bank in Montbello because of the adverse effect which such establishment might have on Bank, which, at least partially because of a poor location, has developed slowly. Bank, which was unable to obtain a site within Montbello, is located on the wrong side of a major traffic barrier, is inconvenient to most Montbello residents now, and is expected to become more so as traffic increases with the anticipated growth of the area. Even if it were able at this time to obtain a site within Montbello, the loss which it would incur on its large investment in its present premises would likely preclude its taking advantage of the opportunity. Because of these circumstances, residents and businesses in Montbello are likely to be denied the benefits of convenient full service banking for some time.

Applicant's proposal represents the only immediately feasible solution to this dilemma. Blocked from pursuing the preferable and less expensive course of establishing a new bank in Montbello, Applicant would acquire Bank, and, accepting the necessary losses, would relocate it within Montbello, where it would offer full banking services to the community.

It is unrealistic to suggest that Applicant's proposal would have any significant anti-competitive effect. Bank, at its present location, is not an effective competitor and lacks the potential to become one. Moreover, acquisition

by Applicant would have the pro-competitive effect of eliminating a present obstacle to a new entry in the area.

The majority's real objection to the proposal, it seems to us, is based upon its judgment that, if Applicant establishes a banking facility within Montbello, the developers of the community are unlikely to permit any other bank to obtain a site in the community. We are no more disposed than is the majority to look with favor on this type of entry restriction, but this is a matter extraneous to the present application, and one with which the Board cannot effectively deal in the present determination. The effect of the majority's decision is that, because the developers may permit the community only one convenient banking facility, the Board denies it any.

No alternative available to the Board in the present case would assure Montbello of *competitive* banking facilities. That being the case, our first objective should be to assure that at least one convenient source of full banking services is available. To accomplish that objective, we would approve Applicant's proposal.

January 4, 1971

DX-53

UNITED STATES DEPARTMENT OF JUSTICE
WASHINGTON, D.C. 20530

Address Reply to the
Division Indicated
and Refer to Initials and Number
RWMcL:DIB:CLW
60-111-900-46

March 3, 1971

Honorable Arthur F. Burns
Chairman
Board of Governors of the
Federal Reserve Board
Washington, D.C. 20551

Dear Mr. Chairman:

Pending before the Board of Governors of the Federal Reserve System is the application of the First National Bancorporation, Inc. ("Bancorporation"), Denver, Colorado for prior approval to acquire, pursuant to Section 3(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)), 80 per cent or more of the voting shares of The National State Bank of Boulder, Boulder, Colorado ("National State").

1. *The Applicants*

Bancorporation is a bank holding company organized in 1968; its four subsidiaries are all located in the Denver Standard Metropolitan Statistical Area ("SMSA"). First National Bank of Denver, the lead bank in the group, is the largest bank in the State of Colorado. As of June 30, 1970, it had total deposits of $468 million and loans and discounts of $341 million. Bancorporation's other affiliates are the First National Bank of Bear Valley, The First National Bank of Northglenn and the First National Bank of Southglenn, all located in the Denver area.[1] As of June 30, 1970, these three affiliates had total deposits of $10.1 million, $8.5 million and $5.8 million, respectively Bancorporation is the second largest banking organization in Colorado. As of June 30, 1970, its constituent banks held approximately

[1] In addition, Bancorporation has received permission from the Federal Reserve Board to acquire banks in Greeley and Sterling. Both of these acquisitions are the subjects of pending law suits filed by the Department of Justice.

22 per cent of the total deposits in the Denver SMSA, and 13 per cent of the total deposits held by the 227 banks in the entire state.

National State is the second largest bank in Boulder. National State had total deposits of $31 million (including IPC demand deposits of $12.9 million) and loans and discounts of $19.4 million, as of June 30, 1970. National State held 22 per cent of Boulder deposits and 16 per cent of Boulder County deposits.

2. *The Area*

Bancorporation's existing bank subsidiaries operate in the city and county of Denver, and the counties of Arapahoe and Adams. All of these areas are in the Denver SMSA. Boulder County is also part of the Denver SMSA. The entire SMSA has experienced rapid and sustained population growth. This growth is likely to continue.

Boulder and Boulder County are located north and west of Denver. Boulder is about 25 miles from Denver and is connected to it by an expressway. Many people commute from Boulder and environs to Denver. Boulder grew from a population of 38,000 in 1960 to 66,000 in 1970. Boulder County as a whole grew from 74,000 to 130,000 in the same time period. Presently among the leading employers in Boulder are IBM, the University of Colorado, and the National Bureau of Standards. While Boulder's growth in the next decade may be less rapid than in the last ten years, it would appear that population growth will continue.

3. *Effect on Actual Competition*

National State is located about 21 miles northwest of the nearest subsidiary bank of Bancorporation and about 25 miles northwest of the lead bank of Bancorporation. Some competition for ordinary banking services seems to exist between National State and the subsidiaries of Bancorporation. National State obtained 172 demand deposit accounts totaling $151,000 and 90 time and savings accounts totaling $141,000 from the city and county of Denver. In addition it held another 29 demand deposit accounts totaling $18,000 and 26 savings accounts totaling $72,000 from other areas of the Denver SMSA served by subsidiaries of Bancorporation. First National Bank of Denver, lead bank of Bancorporation, obtained 463 demand accounts totaling

$643,000 and 307 time and savings accounts totaling $778,000 from Boulder. As the Boulder and Denver areas continue to grow together, it is logical to expect that the level of competition will increase even if neither bank were to establish any subsidiary bank in the intervening area.

Moreover, First National Bank of Denver, through its mortgage department, is servicing over 1,300 mortgage loans in Boulder County. At the same time, National State has a substantial mortgage portfolio mostly involving Boulder County real estate. However, it appears that First National Bank of Denver is originating only a limited number of mortgage loans in this area presently, and National State has similarly limited its activity in this area very much. Hence, the composition eliminated in the field of mortgage lending will not be very substantial.

4. *Effect on Potential Competition*

The City of Boulder and Boulder County generally are attractive areas for bank expansion. Both Boulder and Boulder County have relatively high levels of total and per capita income as well as retail sales and relatively low ratios of banks to population. In the light of all of these factors, it is reasonable to believe that new banks will be added to the Boulder County market.

Bancorporation is the largest banking organization in the Denver SMSA, as well as the largest organization in the state not operating a bank in Boulder or Boulder County. Of the seven banking organizations in the state which control deposits of more than $100 million, two already operate banks in Boulder, one is blocked by law from any expansion, one is a unit bank, and the remaining three, including Bancorporation, operate elsewhere in the Denver SMSA but not in Boulder County. Of these Bancorporation is by far the largest. It has already established three *de novo* banks in other areas of the Denver SMSA, and is seeking to establish a fourth. It must be regarded as one of the most likely entrants into Boulder and Boulder County through establishment of a bank or acquisition of a small existing bank.

Boulder banking is highly concentrated. Two banking organizations, including National State, control over 70 per cent of all bank deposits in Boulder. Those same two organizations control nearly 55 per cent of all deposits in the

county. Four banking organizations control over 78 per cent of all deposits in the county.

This acquisition will eliminate one of the most likely entrants into a concentrated market and result in substantial entrenchment of the existing concentration. It will also eliminate yet another bank able to participate in a new holding company able to compete with the existing market leaders in other areas of the state. It will also continue a trend of foreclosure of correspondent banking deposits to independent banks which provide such services.

5. *Conclusion*

This merger raises some unusual problems. On April 9, 1969, First National Bank of Denver entered a loan agreement with certain promoters (the Parsons Group) to enable the latter to acquire control of National State.[2] Under this new ownership, National State increased substantially its long-term municipal bond portfolio. This has created some liquidity problems. Bancorporation now seeks to take control of this bank permanently. Such a result is unjustified. No showing is made that Bancorporation is the only available buyer for this bank.[3]

We conclude that this acquisition would have a significantly adverse effect on competition.

Sincerely yours,
RICHARD W. MCLAREN
Assistant Attorney General
Antitrust Division
Donald I. Baker
By: DONALD I. BAKER
Deputy Director of Policy Planning

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[2] Under the loan agreement, the promoters were required to use First National Bank of Denver as the correspondent for National State, maintain certain levels of correspondent deposits, channel loan participations to the same bank and deposit a sum equal to 10 per cent of any participation in First National.

[3] National State's present owners paid an average of less than $100 a share for their stock; Bancorporation proposes to pay $123 a share for that stock. This suggests that other buyers might also find National State an attractive investment. In any event, First National Bank of Denver has the power as a creditor under Section 4(c)(2) of the Bank Holding Company Act to take ownership of this stock if no buyer can be found. (12 U.S.C. 1843(c)(2)). It can then use the two year period in which it can hold this stock to improve National State's portfolio of securities and loans and thus make its stock more marketable.

DX-54

FEDERAL RESERVE

Press Release

For immediate release April 1, 1971

The Board of Governors of the Federal Reserve System has announced its approval, pursuant to the Bank Holding Company Act of 1956, of the application of The First National Bancorporation, Inc., Denver, Colorado, a registered bank holding company, for approval of the acquisition of 80 per cent or more of the voting shares of The Exchange National Bank of Colorado Springs, Colorado Springs, Colorado.

Attached are the Board's Order and Statement relating to this action. Also attached is a Concurring Statement of Governor Mitchell, and a Dissenting Statement of Governors Robertson, Maisel, and Brimmer.

Attachments

UNITED STATES OF AMERICA
BEFORE THE BOARD OF GOVERNORS OF
THE FEDERAL RESERVE SYSTEM
WASHINGTON, D. C.

In the Matter of the Application of

THE FIRST NATIONAL BANCORPORATION, INC., Denver, Colorado,

for approval of acquisition of 80 per cent or more of the voting shares of The Exchange National Bank of Colorado Springs, Colorado Springs, Colorado.

ORDER APPROVING ACQUISITION OF BANK STOCK
BY BANK HOLDING COMPANY

There has come before the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)) and section 222.3(a) of Federal Reserve Regulation Y (12 CFR 222.3(a)), an application by The First National Bancorporation, Inc., Denver, Colorado, a registered bank holding company, for the Board's prior approval of the acquisition of 80 per cent or more of the voting shares of The Exchange National Bank of Colorado Springs, Colorado Springs, Colorado.

As required by section 3(b) of the Act, the Board gave written notice of receipt of the application to the Comptroller of the Currency, and requested his views and recommendation. The Comptroller indicated his view that the proposed acquisition would have no adverse competitive effect.

Notice of receipt of the application was published in the Federal Register on July 25, 1970 (35 Federal Register 12041), providing an opportunity for interested persons to submit comments and views with respect to the proposal. A copy of the application was forwarded to the United States Department of Justice for its consideration. Time for filing comments and views has expired, and all those received have been considered by the Board.

It is hereby ordered, For the reasons set forth in the Board's Statement of this date, that said application be and hereby is approved, provided that the action so ap-

proved shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, unless such time shall be extended for good cause by the Board, or by the Federal Reserve Bank of Kansas City pursuant to delegated authority.

By order of the Board of Governors, April 1, 1971.

Voting for this action: Chairman Burns and Governors Mitchell, Daane, and Sherrill.

Voting against this action: Governors Robertson, Maisel, and Brimmer.

/s/ Kenneth A. Kenyon
KENNETH A. KENYON
Deputy Secretary

[SEAL]

BEFORE THE BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM

APPLICATION BY
THE FIRST NATIONAL BANCORPORATION, INC., DENVER,
COLORADO, FOR APPROVAL OF THE ACQUISITION OF VOTING
SHARES OF THE EXCHANGE NATIONAL BANK OF
COLORADO SPRINGS, COLORADO SPRINGS, COLORADO

STATEMENT

The First National Bancorporation, Inc., Denver, Colo-
do ("Applicant"), a registered bank holding company,
s applied to the Board of Governors, pursuant to section
a)(3) of the Bank Holding Company Act of 1956 (12
S.C. 1842(a)(3)), for prior approval of the acquisition of
per cent or more of the voting shares of The Exchange
tional Bank of Colorado Springs, Colorado Springs,
lorado ("Bank").

Views and recommendation of supervisory authority.—
required by section 3(b) of the Act, the Board notified
e Comptroller of the Currency of receipt of the applica-
n and requested his views and recommendation thereon.
e Comptroller indicated his view that the proposed
quisition would have no adverse competitive effect.

Statutory considerations.—Section 3(c) of the Act pro-
les that the Board shall not approve an acquisition that
uld result in a monopoly or would be in furtherance of
y combination or conspiracy to monopolize or to attempt
monopolize the business of banking in any part of the
ited States. Nor may the Board approve a proposed
quisition the effect of which, in any section of the country,
y be substantially to lessen competition, or to tend to
ate a monopoly, or which in any other manner would be
restraint of trade, unless the Board finds that the anti-
mpetitive effects of the proposed transaction are clearly
weighed in the public interest by the probable effect
the transaction in meeting the convenience and needs of
communities to be served. In each case, the Board is
uired to take into consideration the financial and
nagerial resources and future prospects of the bank
ding company and the banks concerned, and the con-
ience and needs of the communities to be served.

ompetitive effect of proposed transaction.—Applicant,

the second largest banking organization and bank holding company in Colorado, controls six banks with deposits of $553 million, representing 14 per cent of all commercial bank deposits in Colorado.[1] It became a bank holding company in 1968 through the acquisition of First National Bank of Denver ("Denver Bank"), and three other banks in the Denver area. On acquisition of Bank (deposits of $52 million) Applicant would increase its control of State deposits by slightly more than 1 per cent and would become, by a slight margin, Colorado's largest banking organization and bank holding company.

Bank is the second largest of 12 banks located in the City of Colorado Springs, El Paso County, Colorado. The county is served by 18 banks representing 15 banking organizations:

COLORADO SPRINGS BANKING MARKET

Banking Organizations	Total Deposits June 30, 1970		Percentage of Market Share	
Affiliated Bankshares of Colorado, Inc.				
(holding company approved 1969)		98.2		34
First National Bank of Colorado Springs	90.5		31	
Fort Carson National Bank	4.4		2	
Bank of Manitou	3.3		1	
Farrar Group		66.9		23
The Exchange N.B. of Colorado Springs[1]	52.3		18	
Colorado Commercial Bank	14.6		5	
Colorado Springs National Bank and Affiliate		45.8		16
Colorado Springs National Bank[2]	38.4		13	
The East Colorado Springs National Bank	7.4		2	
Central Colorado Bancorp, Inc.				
(holding company approved 1970)		31.2		11
The Central Colorado Bank	25.1		9	
The Academy Boulevard Bank	6.1		2	
American Heritage Bank and Trust Company		12.7		4
The Pikes Peak N.B. of Colorado Springs		7.5		3
Air Academy National Bank		7.0		2
All others (6)		23.5		8
		292.8		101[3]

[1] Subject of present application.

[2] While acquisition by United Banks of Colorado, Inc. has been approved, consummation has been delayed by litigation instituted by the United States Department of Justice.

[3] Percentages do not add to 100 due to rounding.

[1] All banking data are as of June 30, 1970, adjusted to reflect holding company formations and acquisitions approved by the Board through January 31,

Thus, although Bank is the county's second largest bank with 18 per cent of deposits, it is slightly more than one-half as large as the county's largest banking organization which controls approximately 34 per cent of county deposits. It should be noted that the 12 smallest banks are retail institutions which have successfully served local markets in competition with the larger banks in the county. The last two banks to be chartered—in 1969 and 1966—have deposits of $2 million and $6 million, respectively. It appears that consummation of the acquisition would not unduly affect competition by these smaller banking institutions.

The closest banking subsidiary of Applicant to Bank is First National Bank of South Glenn (deposits $6 million) which is located 57 miles north of Colorado Springs and does not compete to any significant extent with Bank. Applicant's largest subsidiary, First National Bank of Denver (deposits $468 million), which is located 71 miles north of Colorado Springs, does compete with Bank to a limited extent, primarily through a mortgage loan production office located in Colorado Springs. However that bank made only 2 per cent of the mortgage loans in Colorado Springs in 1969. It appears from the facts of record that consummation of the transaction would not eliminate substantial existing competition between any of Applicant's subsidiaries and Bank.

Approval of the application would have several procompetitive effects insofar as banking in El Paso County is concerned. Bank is affiliated through common individual ownership with the fifth largest bank in the county ($15 million deposits). An effect of approval of the pending application would be to end that affiliation and create an additional competitor in the market. Another affiliate in the same chain banking organization is The First National Bank of Pueblo ($54 million deposits), the largest bank in Pueblo, Colorado.[2] The chain of which Bank is now a part

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1971. Included among Applicant's subsidiaries are The First National Bank of Greeley, Greeley, Colorado ($39 million deposits) and The Security State Bank of Sterling, Sterling, Colorado ($21 million deposits), which were approved by the Board on June 9, 1970, and December 21, 1970, respectively. Consummation of these acquisitions has been delayed by litigation instituted by the United States Department of Justice.

[2] A proposal by Applicant to acquire that bank was denied by the Board on September 1, 1970 (1970 Federal Reserve Bulletin 731).

would thus continue to have representation in two major Colorado markets, and would continue to be a significant competitive factor in both.

In approving the present application, the Board has approved the entry of four holding companies into the Colorado Springs market. Two of these approvals severed pre-existing "chain" relationships and in effect added two new competitors to the Colorado Springs area. While the entry of additional holding companies into the area is a matter of conjecture, there remain several unaffiliated banks which, in appropriate circumstances, could be acquired by existing or newly formed holding companies.

The introduction of Applicant as a competitive force in Colorado Springs and El Paso County should have the effect of reducing the market dominance of the area's largest banking organization. While the desirability of strengthening competition between the largest and second largest organizations in a market is not such as would ordinarily justify an acquisition which eliminates direct and significant competition, it is, we believe, a consideration which should be given appropriate weight in determining the public interest where, as here, the only possible adverse effects of the proposal are of a more speculative nature.

The Board has considered a comment by the Department of Justice, which concludes that the proposed acquisition would have a significantly adverse effect on competition on the grounds, among others, that consummation of the acquisition might eliminate a source of correspondent services for unaffiliated Colorado Springs banks, would entrench the highly concentrated banking structure in El Paso County, would eliminate potential competition, and might trigger acquisitions of leading local banks throughout Colorado by the large State-wide holding companies.

As regards the possible loss of correspondent services, the argument appears to be premised on the theory that the affiliation of a Denver bank with a Colorado Springs bank will reduce the number of correspondents for the other banks in Colorado Springs, in part because these banks would be unwilling to entrust confidential or business data to an affiliate of a competitor. However, correspondent services vary in character and importance, and the majority could be equally well performed by banks outside the areas in which the Justice Department alleges anticompetitive

effects. Banks in Colorado Springs and in the State have more "upstream correspondents" outside than within the State. Portfolio and management advice, loan participations, and miscellaneous specialized services could be furnished by these out-of-State correspondents. Check processing may be done by banks with computer facilities, at service bureaus or at the Federal Reserve in Denver; no confidential information is involved which might preclude a bank from seeking the services of an affiliate of a competitor.

Moreover, the argument relies, in part, at least, on the premise that Applicant's Denver subsidiary, a leading correspondent bank in the State, would be less desirable or less available as a correspondent for banks in the Colorado Springs area if it had an affiliate in that area. A difficulty with the argument is that it would appear applicable, if valid in any case, to any proposal through which the Denver bank would obtain a Colorado Springs affiliate, without particular regard to the size or market position of such affiliate. More broadly applied, it argues against permitting a large correspondent bank to become a subsidiary of a holding company, or in any other way expand into markets in which are located banks for which it serves, or could serve, as correspondent. The Board is not aware of any evidentiary basis for the premise on which the argument is based, and, in the absence of a demonstration that such expansion in fact, rather than in theory, leads to a curtailment in the availability of essential correspondent services, is unwilling to adopt that conclusion as a principal basis for curtailing expansion which is likely to result in better service to the communities affected.

With regard to the alleged entrenchment effect, eight banks have been chartered in the Colorado Springs area in the past 15 years and remain viable. The number of competing banks in the area does not now appear so small as to justify, much less require, denial of Applicant's proposal in order to preserve a mere possibility (as distinguished from a probability) of additional entry. Applicant has indicated that its expansion plans into Colorado Springs are premised on the acquisition of a "wholesale" bank that is capable of offering sophisticated banking services and of supplying the capital requirements for the expanding industrial needs of the city. These services cannot eco-

nomically be offered through acquisition of a small bank or through *de novo* entry, unless the market involved affords unusual prospects for rapid expansion of such a subsidiary. Analysis indicates that prospects of the Colorado Springs market are not as attractive, in this sense at least, as might at first appear, as is more fully detailed in the Concurring Statement of Governor Mitchell. For example, probably because a substantial percentage of area personnel are transient military personnel with other banking connections, the average account size and the per capita account size of Colorado Springs banks are relatively small, despite the area's growing population. Accordingly, although it is nearly always possible that foreclosure of a given route of expansion will encourage a resourceful organization to seek an alternative, the Board does not in this case find the present competitive circumstances to be so exigent, or possible alternatives so clearly preferable or so likely to result, as to warrant denial of a proposal which would provide immediate benefits of competition, service, and economies of scale.

Insofar as any "triggering effect" which approval of the application may have, each subsequent application also must receive the approval of the Board. Presumably, one of the reasons for the requirement of administrative approval of individual cases, rather than the establishment of firm legislative guidelines, is to permit the recognition of distinctions which may exist among cases which would otherwise be grouped in proscribed or permitted categories. Much application should be analyzed on the basis of the competitive structure of the market and other facts existing at the time of Board consideration of the matter. On that basis, and afer careful consideration of this entire record, the Board concludes that Applicant's acquisition of Bank would not result in a monopoly or be in furtherance of any combination, conspiracy, or attempt to monopolize the business of banking in any area, and would not substantially lessen competition, tend to create a monopoly, or restrain trade in any section of the country.

Financial and managerial resources and future prospects.—The financial condition of Applicant and its subsidiary banks is generally satisfactory, their management is qualified, and prospects of the group appear favorable.

Bank is in satisfactory financial condition, but because of

the recent retirement of its chief executive officer is undergoing a transitional period as regards its management, and at the present time needs additional assistance in the trust department and data processing department. Applicant's ability to provide assistance in these areas and to furnish management depth would further enhance Bank's prospects.

These factors lend some weight for approval of the application.

Convenience and needs of the communities involved.—Consummation of the Applicant's proposal would have no significant effect on the convenience and needs of the communities served by its present subsidiary banks.

Colorado Springs, situated 71 miles south of Denver, has a population of 135,060 and is the second largest city and metropolitan area in Colorado; the population of El Paso County is almost twice that of the city. The economy of the area is dependent on military installations, tourism and light manufacturing. Banking needs of the area appear to be adequately and conveniently served at the present time by the banks located there; however, affiliation of Bank with Applicant could offer customers an alternative for sophisticated services which the area's growth is likely to demand. Applicant indicates that some specialized loan services would be introduced at Bank and that internal improvements in trust services and data processing would be effected.

These considerations all lend weight for approval of the application.

Summary and conclusion.—On the basis of all relevant facts contained in the record, and in the light of the factors set forth in section 3(c) of the Act, it is the Board's judgment that the proposed transaction would be in the public interest, and that the application should be approved.

April 1, 1971.

Concurring Statement of Governor Mitchell

I concur in the majority view that the application should be approved. I believe such action is consistent with the approvals given by the Board in two recent cases, one involving Affiliated Bankshares of Colorado [1] and the other United Banks of Colorado.[2] I am, however, troubled by the fact that the record in this and other recent cases involving the restructuring of the Colorado banking system gives rise to so much difference of judgment and opinion on the questions of competition, concentration and the convenience and needs of the public.

Competition, Concentration and Service to the Public

In assessing the impact on the public interest of bank mergers, holding company acquisitions or *de novo* entry, there does not seem to be much disagreement on basic goals. The public will benefit from more competition, less concentration, greater convenience in the location of banking facilities, and the provision of more diversified services. Unfortunately, these objectives often seem not to be entirely compatible because more and better services can only be realized through economies of scale and in banking this requires larger banking organizations and may involve questions of concentration and anti-competitiveness.

Public policy has been and continues highly ambivalent on the role of competition and concentration in banking. Widespread banking failures in the early Thirties increased reliance on governmental policies designed to partially insulate banks and other depository institutions from the pressures of competition. Banks were prohibited, pricewise, from competing with each other in supplying demand deposit services. In many States, banks were prevented from branching into the "home office" territory of another bank. In other States, competition via branching of all kinds was prohibited. State and Federal chartering authorities often severely restricted entry in order to prevent "over banking" and on the grounds there was no need for additional offices.

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[1] 1969 *Federal Reserve Bulletin*, 552.

[2] 1970 *Federal Reserve Bulletin*, 845.

Today, a more competitive environment in banking is possible because deposit insurance has all but removed failure as a cause of depositor loss and stronger banking managements and better supervisory techniques have been developed. But many constraints on competition still apply. Federal law limits competition for funds seeking a higher interest return. At times, Regulation Q has all but prohibited competition among financial institutions for loanable resources; banks have been severely limited in their competitive access to financial and capital markets.

Under the circumstances, the statutory injunction in the merger law to avoid anti-competitive mergers or acquisitions is often difficult to implement. Statutes aimed at "protecting" depository institutions may do so by prohibiting effective competition. At the present time, competition on the deposit side is largely limited to service and convenience features. The evidence of such competition is often far from readily apparent as it adheres to continuing personal and intangible relationships between bankers and their customers. On the other hand, it is quite obvious that banks generally operate in competitive markets in their investment and lending operations. Portfolios of Governments, State and local securities, mortgages, and loans to consumers, brokers and dealers, business and agriculture are acquired in competition with nonlocal banks, other local intermediaries, nonfinancial corporations and Government or Government-sponsored agencies.

In recent years competition in banking at the local level has been becoming more of a reality as sheltering policies and neighborhood or local monopolies are being broken down by greater mobility of customers and their greater awareness of competitive terms. Radio and TV advertising, banking by mail or near work has broadened the banking alternatives for most households and businesses in urban areas. But banking competition can only exist in a meaningful sense if at least some banking units have the capacity to broaden their services and make them more conveniently available. Their capability to do so is a matter of realizing economies of scale.

Economies of Scale in Banking. Banking has long enjoyed significant economies of scale but in the past decade, in particular, such economies have become increasingly important as specialization and professionalization in banking

has increased and as electronic accounting, analysis, and data processing have altered the profile of customer services and the cost dimensions of doing business.

The changing banking structure of Colorado and Colorado Springs is illustrative of the difficulties of transition in a State which has traditionally limited economies of scale and is in the process of moving toward a structure in which some of the advantages of scale may be realized.

Branching constraints have impaired Colorado banking's ability to service its customers more adequately. Comparative statistics and the studies of Professor Benston (see Appendix A) indicate that there are significant economies of scale in banking and that they tend to be "spent" in providing additional convenience in offices and facilities when they are realized. This conclusion conforms to expectations and "explains" the comparative structure data. Thus, per capita demand deposits in accounts under $100,000 tend to be relatively uniform among major banking markets regardless of the number of banking offices. Additional banking offices add to the convenience of depositors but do not add to the aggregate of such deposits in the area though they may strengthen a given bank's competitive position. For example, the State of Washington's SMSA's have almost the identical population of Colorado's (1,810,000 compared to 1,764,000), the demand deposits under $100,000 in the areas are very nearly the same, too, $766 million and $763 million, but there are almost 2½ times as many banking offices in these areas in Washington as in Colorado.

Since Colorado needs more banking facilities and can only achieve this objective by changes in its banking structure which will permit economies of scale to be realized it follows that in the absence of branching authorization, holding company development should be encouraged.

Moreover, holding companies ought to be required to extend their operations with *de novo* offices whenever feasible. This general rule would be modified only if the banking market to be entered already had a normal complement of offices or because the economy of the area does not appear capable of profitably supporting an average standard of banking convenience.

Entry Into New Markets. From a practical standpoint, the crux of the matter is a judgment on the attitude of banking entrepreneurship toward entry into a given market.

When a bank seeks regulatory approval for entry how does it draw the line between *de novo* entry and purchase of a market share or between purchase of a major or minor market share? *De novo* entry has the disadvantage of start-up costs and getting customers away from someone else. It seems to work best in rapidly growing areas where established institutions in the older sections have locational disadvantages which a new institution can avoid. Despite this important advantage it seems clear from the record of cases before the regulatory agencies that the purchase of as large a market share as is available is ordinarily the preferred method of entry. In some instances, moreover, it is the only method of entry that will be considered by a knowledgeable banking entrepreneur. And, so far as the public interest is concerned, there is ordinarily a positive advantage when the acquiring bank replaces an incompetent, stodgy or deteriorating management.

Given a general entrepreneurial preference for entry via acquisition, there is nothing inherently hostile to the public interest in regulatory authorities recognizing the legitimacy of corporate interests. An acquisition is not suspect because it promises a profit for the stockholders of the acquired bank or the acquiring bank, or both. It becomes suspect if there is some evidence that the newcomer will be less competitive, is predatory in its policies, or by the record of its acquisitions can be shown to be moving toward domination of some banking market.

Even if none of these conditions exist, the public interest may still be better served by *de novo* entry, especially if the absorption of a competent and aggressive competitor should be involved. But if banking markets are too fractionated by new entries economies of scale will be minimal and so will banking service standards. Moreover, a regulatory decision turning on the method of entry, granting entry is desirable, may be highly conjectural as to how entrepreneurmanship will react to being limited to this alternative. If its reaction is negative, regulatory policy is used, in effect to preserve the status quo. What is needed is an insight into the basis on which banks make entry decisions. What do they regard as a realistic balancing of the services that can be provided in a new market and the cost incurred in doing so?

Since banks have to be motivated by profitable prospects,

the levels of convenience and banking service they offer to the public depends crucially on deposit levels which they believe can be achieved. These, in turn, depend upon the community's deposit potential, the extent to which market shares are likely to be protected or fractionated by public policy, and the economies of scale attainable under State laws. Broadly speaking, the approximate level of locally oriented bank deposits is substantially determined by the economic characteristics of the community and the competition from nonbank intermediaries, market instruments, and nonlocal banks. The market shares that individual competitors can attract is a function of their competitive abilities and the cost involved in implementing them. Many banking markets are so small or so fractionated that knowledgeable competitors would not attempt to enter them. Such markets can only attract marginal operators offering services of the lowest order.

When banking entrepreneurs are given relative freedom to establish offices, they ordinarily tend to provide far more facilities than are available in Colorado today. Greater convenience to the public is possible with branching or holding company systems than with unit systems. Branching systems can service markets much more intensively than unit banks and generally considerably more intensively than holding companies. They can do so because a certain scale of operation is essential to cover the management overhead of a banking organization and because more specialization is possible. Looked at from the standpoint of entry alternatives, an area in which a competitive banking office can generate $2-3 million in demand and time accounts may support a profitable branch operation but be unprofitable for a holding company affiliate. A larger potential might support a holding company affiliate but be insufficient to cover the costs of an independent bank. Scale also has a good deal to do with the quality and feasibility of several banking functions, such as portfolio management, the extension of consumer and other specialized credits and the functional applications of data processing equipment.

In certain holding company systems important operating economies of scale are being realized; in others, there is little to distinguish operations from those of a unit bank. If operating economies are not exploited and passed on to the public in the form of better and more convenient bank-

ing facilities one of the major community advantages inherent in holding company banking organizations is lost.

Whether the relatively new holding companies in Colorado have achieved significant economies of scale is another fact on which the record is unsatisfactory. The probability is that progress is being made in that direction but, of necessity, rather slowly. The point is a critical one in appraising the likelihood of *de novo* entry. Acquisition may be the only feasible route unless the potential market is expanding so rapidly that scale economies characteristics of larger independent units will make for profitable operations.

The Quality of Banking Services

A thorough appraisal of the quality of banking services in Colorado is not included in the record even though in this decision, as well as others before it, structural implications have been deliberately regarded as of primary importance. Those portions of Colorado where the banking structure is changing are growing much faster than the country as a whole (34 per cent compared to 12 per cent in the past decade). They are absorbing far more in capital and credit than can be locally generated, hence they need to attract funds from other sections of the nation and maximize their utilization of available local resources. It is not clear how this is being done. Nor is it clear whether the Colorado banking system is functioning adequately by contemporary or historical standards. Banking does not, of course, serve all of the financial needs of this or any other section of the country. Insurance companies, savings and loan associations, credit unions, capital markets, investment trusts, Government and quasi-Government agencies, as well as individual investors provide credit and capital, too. But knowledgeable and capable bankers are a key element in any community experiencing rapid economic growth. The essential need for Colorado at this stage of its development is access to their financial resources and expertise.

Some indication of the quality of service and the market penetration of local banking organizations can be inferred from comparative performance of banking in Colorado, in the United States and in roughly comparable markets where competitive forces have been permitted to accommodate banking needs more fully. Accordingly, I have assembled in the attached Appendix A relevant evidence available to

me which I believe sufficiently documents the applicability of the foregoing generalizations to Colorado banking.

The relationships and inferences outlined in that Appendix point to the conclusion that, to better serve public needs and convenience, Colorado should have more banking offices —or at least as many more offices as are economically consistent with the limitations on branching in the Colorado law.

Simply in terms of facilities, the Colorado region as a whole, with one banking office for 14,600 persons is, as indicated in the attachments, seriously deficient in providing convenient banking accommodations. But the ratio of persons to offices varies widely in sub-markets within the region. In Weld County (Greeley), for example, it is 5,900—only slightly in excess of the national average. In Morgan County, where the Board recently approved an acquisition, the figure is 4,600. In the Denver and Pueblo SMSA's the population per office is much higher—17,700 and 16,700, respectively, Colorado Springs, with 12,700 persons per office, would clearly benefit from additional banking offices. Such an improvement in public convenience would no doubt have long since been achieved had Colorado permitted branch banking. Its consummation is problematical, if not academic, under unit banking and at least doubtful in the near future with holding company affiliations.

Whether or not there are unmet banking needs in Colorado Springs or any other community depends upon the service standards applied. A currency exchange or supermarket can cash checks conveniently. A limited service office of a bank can accept deposits. But there is more to modern banking than accepting deposits and cashing checks. A present-day bank should be able to offer competitively priced services in a broad variety of financial markets. To do so it must have prospects for growth and earnings to attract men with ability and investors with money. Meeting the convenience and needs of the community, therefore, involves far more than an enumeration of available service items and features. Basically what matters in a bank is the financial capacity and banking know-how to deal with the entire spectrum of a community's financial problems.

Colorado Springs Banking Market

Banking opportunities in the Colorado Springs SMSA are generally thought to be promising, but the economic

deposit data are not equally reassuring, particularly
mparison with other areas in Colorado. As presented
ne attached Appendix B, such data make it seem doubt-
that *de novo* entry into the Colorado Springs SMSA
more than a marginal appeal. The cost of branch entry
ht be entirely feasible, but—given the scale economies
eveable in Colorado holding company practices at this
—affiliated *de novo* entry is, on the record of present
ormance, not obviously attractive.

oncentration Ratios. One popular approach to evalu-
g competitive situations is the use of concentration
os—the share of the particular market enjoyed by each
king organization. Shares are usually measured in
ns of total deposits or assets. Markets are usually towns,
es, counties, SMSA's or states. The definition of the
ropriate market area often involves considerable judg-
t and approximation but if the intent is to seek that
ket in which the greater part of the deposit competition
ocal, then the measure of total deposits or total assets
ften inappropriate.

ocal market shares can be much more reliably measured
sing either demand or time and saving deposits of in-
duals, partnerships and corporations whose account
nces are less than some amount which is large enough
xclude account holders who are susceptible to nonlocal
k competition. The amount cutoff needed to segregate
l customers will not likely be less than $10,000 nor more
n $100,000, depending upon the character of the com-
nity and the proximity of nonlocal banks.

sing pertinent concentration ratios of this type, I do not
eve it can be established that, from the standpoint of
lic policy, the banking structure of Colorado Springs
nduly concentrated or so anti-competitive as to require
ress. I base that judgment on the clear evidence of the
ree of nonbank and nonlocal bank competition existing
he many banking markets and on the fact that Congress
not directed a broad revision or dismantling of the
sting banking structure. It is illuminating to factually
pare the concentration ratios in SMSA's comparable
ize to Colorado Springs, assuming this application had
n approved.

The data conveniently available to me are concentration
ios based on June 1968 demand deposits IPC in accounts
nder $100,000. The ratios are for the largest bank in

each area and the four largest banks combined. The accompanying table divides 160 SMSA's into two equal groups, those smaller and those larger than Colorado Springs. The concentration ratio for the largest bank in the Colorado Springs area is 31 per cent and for the four largest 73 per cent. The large bank ratio falls into the modal groups in the accompanying table and the four bank ratio falls significantly below the modes in both the larger and the smaller SMSA's.

CONCENTRATION RATIOS IN 160 SMSA'S, 1968

Largest Bank			Largest four Banks		
Ratio	Larger SMSA's	Smaller SMSA's	Ratio	Larger SMSA's	Smaller SMSA's
50 & over	9%	15%	90 & over	24%	50%
40-50	15	26	80-90	34	20
30-40	37	28	70-80	13	14
20-30	30	23	60-70	15	10
Less than 20	9	8	Less than 60	14	6
	100	100		100	100

Another way of looking at concentration ratios is to compare distributions of such ratios in unit banking States with those in limited branching or state-wide branching States. The following table does this for 47 SMSA's in 15 unit banking States and 57 SMSA's in 17 limited branching States. It is immediately apparent that these measures show significantly lower levels of concentration in unit banking States. But the ratios do not take into account the affiliations through common ownership of banking chains, satellite arrangements or the dependence inherent in many bank loans to purchase a controlling stock interest. Nor do they incorporate the effects of the recent expansion of holding companies in several States, most notably Florida and Missouri. Therefore, in many unit banking States, the concentration ratios fall significantly short of reflecting the present degree of concentration in ownership and control of banks.

CONCENTRATION RATIOS FOR 47 METROPOLITAN AREAS IN UNIT BANKING STATES COMPARED TO 57 SUCH AREAS IN LIMITED BANKING STATES [1]

Concentration Ratio	One Bank		Four Banks	
	Unit %	Limited Branching %	Unit %	Limited Branching %
Less than 10		2		
10 to 20	15	2		
20 to 30	43	16		
30 to 40	26	38	2	
40 to 50	6	33	2	
50 to 60	6	5	15	3
60 to 70	2	2	15	16
70 to 80	2	2	19	9
80 to 90			21	24
90 & over			26	48
	100	100	100	100

[1] Areas with total deposits of less than $500 million on June 30, 1970. Concentration ratios based on demand deposits IPC under $100,000, as of June 30, 1968.

The unit banking States are:
Arkansas, Colorado, Florida, Illinois, Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, North Dakota, Oklahoma, Texas, West Virginia and Wyoming.

The limited branching States are:
Alabama, Georgia, Indiana, Kentucky, Louisiana, Massachusetts, Michigan, Mississippi, New Hampshire, New Jersey, New Mexico, New York, Ohio, Pennsylvania, Tennessee, Utah and Wisconsin.

Concentration ratios are sometimes calculated for States as indicative of the dominance of a small number of banking organizations. The usefulness of such data is limited as there are very few instances in which a State can be regarded as a realistic market area. The following table shows such concentration ratios as of June 30, 1961 and June 30, 1970. It is based on total deposits and all units of a holding company are combined into one banking organization. The data are most interesting because they show a significant decline between 1961 and 1970 in shares of the largest and next to largest banks in over half of the States, little change in a third and an increase in 10 per cent.

MARKET SHARES OF LARGEST BANKING ORGANIZATIONS IN EACH STATE, 1970 AND 1961

State	June 30, 1970		June 30, 1961	
	Number 1	Number 1 & 2	Number 1	Number 1 & 2
Alabama (LB)	12	19	18	25
Alaska (B)	34	61	31	55
Arizona (B)	46	79	47	83
Arkansas (U)	7	11	7	13
California (B)	38	51	41	54
Colorado (U)	15	28	19	34
Connecticut (B)	19	36	18	35
Delaware (B)	33	54	43	63
D.C. (B)	30	54	32	56
Florida (U)	8	14	7	14
Georgia (LB)	20	31	21	36
Hawaii (B)	38	70	43	82
Idaho (B)	37	66	36	67
Illinois (U)	14	27	17	34
Indiana (LB)	9	18	10	19
Iowa (U)	6	9	7	11
Kansas (U)	6	9	7	11
Kentucky (LB)	10	19	12	23
Louisiana (LB)	10	16	14	22
Maine (B)	16	29	14	25
Maryland (B)	20	33	21	35
Massachusetts (LB)	27	39	20	40
Michigan (LB)	17	26	21	31
Minnesota (U)	27	51	31	56
Mississippi (LB)	14	25	13	23
Missouri (U)	8	16	10	19
Montana (U)	29	44	30	43
Nebraska (U)	10	18	15	25
Nevada (B)	62	77	73	86
New Hampshire (LB)	16	26	12	18
New Jersey (LB)	5	10	6	12
New Mexico (LB)	17	32	17	31
New York (LB)	17	31	17	32
North Carolina (B)	21	38	24	41
North Dakota (U)	17	34	19	37
Ohio (LB)	10	16	12	18
Oklahoma (U)	7	14	12	23
Oregon (B)	43	81	43	85
Pennsylvania (LE)	12	19	13	21
Rhode Island (B)	53	85	54	88
South Carolina (B)	23	37	25	36
South Dakota (B)	24	39	24	33
Tennessee (LB)	9	18	11	21
Texas (U)	5	11	8	15
Utah (LB)	36	46	32	53

State	June 30, 1970		June 30, 1961	
	Number 1	Number 1 & 2	Number 1	Number 1 & 2
Vermont (B)	14	28	9	19
Virginia (B)	14	25	7	14
Washington (B)	33	53	36	55
West Virginia (U)	5	10	6	12
Wisconsin (LB)	16	22	20	27
Wyoming (U)	15	23	17	28

I conclude from my analysis of this case that the changes in banking structure taking place in Colorado are not only needed to provide better banking service and to facilitate growth in this developing metropolitan region, but that there is no significant evidence that undue concentration is a threat or that competitive opportunities permitted under our regulatory system are in danger of being stifled.

Appendix A

Banking data for the Colorado metropolitan region, for the U.S. and for two additional metropolitan regions, comprising most of the three SMSA's in Utah (Salt Lake, excluding Davis County, Ogden and Provo-Orem) and two SMSA's in the Puget Sound area of Washington (Seattle and Tacoma), are instructive in revealing the effect of structure patterns on banking services and market penetration.

About 80 per cent of Colorado's 2,196,000 population is located in a multi-city metropolitan region east of the mountains, extending from Fort Collins, in the North, to Pueblo, in the South and centering in Denver. It consists of the seven counties which form three SMSA's plus two counties which are important banking markets. This is the region of Colorado in which the banking structure is undergoing rapid change. It is presently served by 122 (December 1969) banking offices (excluding industrial banks and military facilities) and 100 banking organizations. These banking facilities are so located and linked that they could readily be incorporated into a single urban clearing area. The area is blanketed by common press, radio and television coverage and in this sense is a single market.

Colorado has a much higher population to banking office ratio than either the U. S. as a whole or the comparable metropolitan areas. (See accompanying Table) Thus it is atypical in that the banks in that area provide only 40 per cent of the facilities available on the average in the country as a whole. Economization of offices reduces the cost of banking but, under present-day practices, at the expense of inconvenience to bank customers and the assumption of certain banking services, notable check cashing and currency service, by supermarkets, other retailers, or currency exchanges.

Commercial banks are not the only financial intermediaries providing credit and depository service to the public—savings and loan associations, credit unions, and mutual savings banks (in some areas) are highly competitive with banks.[1] The table shows the number of offices and amount

[1] It is sometimes assumed from the over-all deposit statistics that all or most of the 63 million households in the nation have checking accounts. The 84 odd

of deposits in the Colorado, Utah and Washington areas. These inter-area comparisons are useful in revealing a relatively stable relationship between area income and depository aggregates. But the crude *total* deposit aggregates include correspondent bank balances, money market CD's and large compensating balances in demand accounts which are highly exposed to nonlocal bank competition and often do not accurately portray local competitive positions. If depository totals are refined to more nearly reflect household and local sources of funds, the nature and degree of local bank and nonbank competition and the role of branching is more clearly revealed. (See Table) These relationships are more consistent than total deposits with such income variables as personal income or adjusted gross income.

A reasonable conclusion from these data, bearing in mind that banking facilities are two to three times as numerous in the nation and the illustrative areas as in the Denver region, is that branching makes possible larger organizations and economies of scale that cannot be attained in unit banking and that may be seriously diluted even in holding company organizations. In Washington and Utah, and branching States generally, those economies appear to be absorbed by intra-depository industry competition. In the process more convenient depository services are provided but apparently without significantly enlarging the industry's market size. In States where competition is limited by law and numerous offices are not available, the inconveniences and costs of getting to and from more remote locations are apparently borne by bank customers, particularly household depositors.

Such a conclusion is consistent with the findings in a recent paper (Sept. 1970), by Professor George Benston, of the University of Rochester, wherein he summarized

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million demand deposit accounts in the nation's commercial banks should not be so interpreted. This total includes businesses, nonprofit institutions and multiple accounts of households (estimates for the average household range from 1.2 to 1.4 accounts). A large number of income recipients, probably between 10 and 15 per cent, do not have checking accounts but use coin and currency for their transactions and credit unions, savings and loan associations, mutual savings banks, U.S. savings bonds, and passbook accounts in commercial banks as readily accessible sources of liquidity in an emergency or for major household expenditures. Banks clearly are not the sole alternative for savers nor do they even handle a majority of money settlements for millions of households.

several studies on economies of scale in commercial banking as follows:[2]

> "For an average commercial bank, overall elasticity with respect to operating cost is .93. A 10 per cent increase in the output at the average bank of each service while holding all other independent variables constant at their geometric mean values is accompanied by a 9.3 per cent increase in operating costs.
>
> • • • •
>
> "Branch banking was found to be more expensive than unit banking for both commercial banks and savings and loans. However, these costs increase at a decreasing rate as additional branches are added. Further, for commercial banks, the additional cost of branching appears to be offset by the economies of larger scale operation, since larger banks tend to be branch banks . . . .
>
> ". . . Elasticities measured indicate that larger firms are preferable *cet. par.* However, for specific regulatory decisions the amount of the expected savings and operating costs should be compared to an estimate of the disadvantages, if any, of favoring larger banks. However, one can generalize that the size of the economies of scale is not such that medium sized banks would be 'squeezed out' by larger banks if growth and mergers were allowed. However, small banks do appear to have a considerable cost disadvantage, especially with respect to branches of larger banks. In choosing between chartering a small unit bank or allowing branching of a larger bank, the regulatory authorities should prefer the branching application unless considerations of competition are overriding."

Benston's findings are especially relevant to the issue of a restructured banking system in Colorado. They suggest that greater dependence on large banking organizations could extend the scope and improve the convenience of banking in that State.

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[2] Presented at the 1970 Conference of University Professors, sponsored by the American Bankers Association, the University of California, Los Angeles, and the University of South California.

Appendix B

The richness and penetration of the banking market in the Colorado Springs SMSA is best examined by reviewing the comparative performance by all area depository institutions; commercial banks, savings and loan associations and credit unions. As is apparent from the data already cited, this comparison should be done by reference to the level of bank time and savings deposits under $100,000 since this is the financial sector which is sensitive to local competitive forces.

Time and savings account deposits at all depository institutions in per capita terms are significantly lower in the Colorado Springs SMSA (849) than in the Pueblo ($1,320) and Denver SMSA's ($1,725), or in Boulder or Larimer Counties.

The major source for the relatively poor showing of intermediaries in the Colorado Springs SMSA does not seem to be due to lack of competition on the part of the commercial banks there. It lies in the failure of the intermediaries as a group to match the performance of similar institutions in the Denver and Pueblo SMSA's or in Boulder or Larimer Counties. In fact, even though time and savings deposits of commercial banks lag well behind the combined total for savings and loan associations and credit unions in all of these areas (no more than 40 per cent of the depository market), the differential is not significantly less adverse in Colorado Springs than elsewhere.

The relatively stable relationship of population to demand deposit accounts under $100,000 noted earlier in the comparison of the Colorado metropolitan region with SMSA's in Utah and Washington and with national data also shows up within Colorado. The average size of such accounts under $1,000 and per capita demand deposit totals are not greatly different within the region. However, there are significantly more accounts per capita in Colorado Springs (.41) compared to Denver and Pueblo SMSA's (.34).

Colorado Deposit Markets

	SMSA's			Counties	
	Col. Springs	Denver	Pueblo	Boulder	Larimer
Time & Savings Accounts per Capita					
Commercial Banks (under $100,000)		$ 334	$ 670	$ 410	$ 575
Savings & Loan and Credit Unions	515	1,055	910	806	870
Total	849	1,725	1,320	1,234	1,445
Per Cent Time & Saving in Commercial Banks	39	39	31	35	40
No. of Bank Time & Saving Accts. per capita	.32	.34	.34	.34	.32
IPC Demand Deposits Under $100,000					
Amount per capita	$ 393	$ 455	$ 321	$ 408	$ 395
No. of accts. per capita	.41	.34	.34	.42	.43
Average size of IPC Demand Acct. (Under $1,000)	$ 217	$ 235	$ 207	$ 243	$ 217

A partial explanation of these characteristics of the Colorado Springs banking and depository markets probably lies in the fact that 20 to 30 per cent of the households or potential depositors in the area are military personnel. Some have established financial connections in other locations. Others obviously make only partial use of local banking facilities, apparently using service-charge type demand deposit accounts. Thus the banks in Colorado Springs seem to be able to attract at least as many and even more accounts (relative to population) than in other Colorado areas but the average balances are consistently lower, particularly in time and savings accounts.

Another bit of evidence suggesting that the market in Colorado Springs is less attractive than might appear is that savings and loan and credit union totals also run well behind those in the other areas. Part of the reason must be that adjusted gross income lags in the Colorado Springs SMSA. It is almost a third higher in Denver SMSA and Boulder County; it is 10 per cent higher in Pueblo SMSA. In short, Colorado Springs is not a particularly productive banking market even when cultivated intensively.

COMPARATIVE BANKING AND DEPOSITORY MEASURES

Colorado, Utah, Washington, United States

	Metropolitan Areas		
	Colorado	Utah	Washington
Population (thousands) 4/1/70 (preliminary)	1,764	728	1,810
Number of Comm. Banking Offices (8/70)	121	105	281
Number of Mutual Savings Bank Offices (8/70)	0	0	26
Number of Savings & Loan Offices (5/31/70)	94	23	78
Total Offices	215	128	385
Population per Commercial Banking Office	14,582	6,937	6,440
Population per Depository Inst. Office	8,206	5,690	4,700
Adj. Gross Income per capita	$ 2,136	$ 1,870	$ 2,868
Personal Income per capita	3,492	2,868	4,067
Total Deposits (millions)			
Commercial Banks (6/29/68)	$ 2,902	$ 1,188	$ 2,605
Mutual Savings Banks "	0	0	819
Savings & Loan Associations (9/68)	1,460	327	987
Total	4,362	1,515	4,411
Total Deposits per capita			
Commercial Banks	$ 1,645	$ 1,631	$ 1,440
Mutual Savings Banks	0	0	453
Savings & Loan Associations	828	449	545
Total	2,473	2,080	2,438
Time & Savings IPC (under $100,000) (millions)			
Commercial Banks	$ 1,073	$ 459	$ 1,173
Mutual Savings Banks	0	0	806
Total	1,073	459	1,979
Time & Savings (under $100,000 per capita)			
Commercial Banks	$ 608	$ 631	$ 684
Mutual Savings Banks & Savings & Loan Assocs.	828	449	991
Total	1,436	1,080	1,639
Demand Deposits under $100,000 (millions)			
IPC Total	$ 763	$ 266	$ 766
Per Capita	432	365	423
Per Capita Deposits under $100,000 of Mutual Savings Banks, Savings & Loan Associations, IPC Demand, Time and Savings of Commercial Banks	$ 1,868	$ 1,445	$ 2,062

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COMPARATIVE BANKING AND DEPOSITORY MEASURES

Colorado, Utah, Washington, United States

	Metropolitan Areas			
	Colorado	Utah	Washington	U.S. Totals
tion (thousands) 4/1/70 (preliminary)	1,764	728	1,810	204,351
of Comm. Banking Offices (8/70)	121	105	281	36,049
of Mutual Savings Bank Offices (8/70)	0	0	26	1,528
of Savings & Loan Offices (5/31/70)	94	23	78	8,498
Offices	215	128	385	46,075
tion per Commercial Banking Office	14,582	6,937	6,440	5,669
tion per Depository Inst. Office	8,206	5,690	4,700	4,435
ross Income per capita	$ 2,136	$ 1,870	$ 2,868	$ 2,280
l Income per capita	3,492	2,868	4,067	3,421
Deposits (millions)				
rcial Banks (6/29/68)	$ 2,902	$ 1,188	$ 2,605	$400,878
l Savings Banks "	0	0	819	63,031
gs & Loan Associations (9/68)	1,460	327	987	126,779
	4,362	1,515	4,411	590,688
Deposits per capita				
rcial Banks	$ 1,645	$ 1,631	$ 1,440	$ 1,961
l Savings Banks	0	0	453	308
gs & Loan Associations	828	449	545	621
	2,473	2,080	2,438	2,890
Savings IPC (under $100,000) (millions)				
rcial Banks	$ 1,073	$ 459	$ 1,173	$144,863
l Savings Banks	0	0	806	62,064
	1,073	459	1,979	206,927
Savings (under $100,000 per capita)				
rcial Banks	$ 608	$ 631	$ 684	$ 709
l Savings Banks & Savings & Loan Assocs.	828	449	991	925
	1,436	1,080	1,639	1,624
Deposits under $100,000 (millions)				
otal	$ 763	$ 266	$ 766	$ 93,171
apita	432	365	423	456
ita Deposits under $100,000 of l Savings Banks, Savings & Loan ations, IPC Demand, Time and gs of Commercial Banks	$ 1,868	$ 1,445	$ 2,062	$ 2,080

In our judgment, Applicant's acquisition of Bank will eliminate existing competition, foreclose potential competition, lessen the likelihood of formation of a strong competitor to the existing holding companies in the State, and further the concentration of banking resources in Colorado. Based on the facts of record and the statutory criteria, we would deny the application.

Consummation of the proposal will eliminate present competition between Bank and Applicant's largest subsidiary, First National Bank of Denver ("Denver Bank"), located 71 miles north of Colorado Springs. Such competition is particularly significant and immediate with respect to mortgage lending; Denver Bank maintains a loan production office approximately one block from Bank in Colorado Springs that competes actively with Bank for mortgage loans. During the first six months of 1970, Bank ranked third in mortgage lending in the Colorado Springs area, while Denver Bank ranked fourth. Combined, Denver Bank and Bank constitute the largest mortgage lender in the area. Additionally, Denver Bank derives a substantial number of its trust accounts from Colorado Springs and the two banks compete to some extent for the deposit accounts of large companies and developers in the area.

Bank is the ninth largest banking organization and the second largest independent bank in Colorado. It is affiliated with another bank in Colorado Springs ($14 million deposits) and with two banks in the Pueblo area (combined deposits of $58 million), one of which is the largest bank in its area and the largest independent bank in the State. Thus, Bank is part of a banking group with assets of over $120 million—one of only eight organizations in Colorado which have deposits in excess of $100 million—which could serve as the nucleus of a new holding company offering competition to Applicant and the other large banking organizations in the State.

Ordinarily, a favorable aspect of the application would be its introduction of new competition into Colorado Springs by breaking the affiliation between Bank and another bank in that market. Under the circumstances of this case, however, the breaking of the affiliation will likely mean that one

less Statewide banking organization will be formed, with all the members of the above-described chain becoming affiliates of one or the other of the few large holding companies now in existence. Any benefits to competition which consummation of the proposal might provide could be achieved through means less inimical to regional competition than the present proposal. Moreover, alternate methods of entry in the Colorado Springs area would also be more beneficial to competition in that area, since such entry would likely lead to meaningful deconcentration, while Applicant's acquisition of the largest independent bank in the area would tend to produce the opposite result.

In this connection, we believe that Colorado Springs is not, as the majority contends, an unattractive market for *de novo* entry. That market has enjoyed a good growth rate (between 1960 and 1970 the population has increased from 70,000 to 145,000), and has a higher than average population per banking office (12,700). The total deposits per banking office ($13,434) compare favorably with the ratio in the State of Colorado ($13,617) as well as that prevailing throughout the United States ($12,559).

In addition to the above, we previously have expressed our belief that approval of the acquisition of large banking organizations by the large Colorado holding companies is inconsistent with the Congressional mandate to control the expansion of bank holding companies so as to present concentration of banking resources in a few large organizations (e.g., 1970 Federal Reserve Bulletin 543). The considerations which compelled our votes to deny that application apply with equal if not stronger force to the present application.

On all of the facts of record, we conclude that the acquisition will substantially lessen competition without offsetting public benefit, and that it should be denied.

April 1, 1971.

TABLE

DEPOSITS IN U.S. COMMERCIAL BANKS AND OTHER PASSBOOK SAVINGS INSTITUTIONS
1940 - 1969
(In Millions of Dollars)

	1940	1945	1950	1955	1960
Commercial Banks	65,750	151,176	156,100	193,200	230,500
Mutual Savings Banks	10,660	15,385	20,025	28,182	36,343
Savings and Loan Associations	4,322	7,365	13,992	32,142	62,142
Credit Unions	212	367	884	2,447	4,981
Total Deposits	80,944	174,293	191,001	255,971	333,966
Commercial Banks %	81.22%	86.73%	81.73%	75.48%	69.02%
100 Largest Commercial Banks	37,637	72,538	71,690	90,498	109,024
100 Largest Commercial Banks %	46.49%	41.61%	37.53%	35.35%	32.64%

Source: Tables 651 and 670, United States Statistical Abstract, 1970. (Individual listed sources for data, American Banker, shares of 100 largest commercial banks.

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TABLE

ITS IN U.S. COMMERCIAL BANKS AND OTHER PASSBOOK SAVINGS INSTITUTIONS, SELECTED YEARS, 1940 - 1969
(In Millions of Dollars)

	1940	1945	1950	1955	1960	1965	1969
	65,750	151,176	156,100	193,200	230,500	333,800	440,000
	10,660	15,385	20,025	28,182	36,343	52,443	67,086
ociations	4,322	7,365	13,992	32,142	62,142	110,385	135,489
	212	367	884	2,447	4,981	9,221	13,680
	80,944	174,293	191,001	255,971	333,966	505,849	656,255
	81.22%	86.73%	81.73%	75.48%	69.02%	65.99%	67.05%
cial Banks	37,637	72,538	71,690	90,498	109,024	160,783	229,359
cial Banks %	46.49%	41.61%	37.53%	35.35%	32.64%	31.78%	34.95%

and 670, United States Statistical Abstract, 1970. (Individual listed sour ces for data prior to 1950.)
Banker, shares of 100 largest commercial banks.

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CONSUMER INSTALLMENT CREDIT OUTSTANDING, BY TYPE OF CREDIT AND BY HOLDER (IN MILLIONS OF DOLLARS. NOT SEASONALLY ADJUSTED)

Type of credit and institution	Feb. 28, 1971
Total	99,244
Commercial banks	41,446
Finance companies	30,511
Other financial lenders, total	13,953
Credit unions [1]	12,351
Miscellaneous lenders	1,602
Retail outlets [2]	13,334
Automobile	34,869
Commercial banks	19,726
Finance companies	9,672
Other financial lenders	5,148
Automobile dealers	323
Other consumer goods	28,928
Commercial banks: Total	8,535
Credit cards	3,054 [3]
Other	5,481
Finance companies	6,493
Other financial lenders	889
Retail outlets	13,011
Home repair and modernization	4,051
Commercial banks	2,704
Finance companies	93
Other financial lenders	1,254
Personal loans	31,396
Commercial banks: Total	10,481
Check-credit	1,165
Other	9,316
Finance companies	14,253
Other financial lenders	6,662

[1] Included with other financial lenders in classification by type of credit.

[2] Includes auto credit at dealers and other consumer goods credit at retail outlets.

[3] Credit cards and related plans of commercial banks

Source: Federal Reserve Statistical Release, April 2, 1971.

CONSUMER NON-INSTALLMENT CREDIT
FEBRUARY 28, 1971 (000,000)

Single-payment loans	9,506
Charge accounts *	7,353
Service credit	7,712
TOTAL	24,571

* In addition to retail charge accounts, includes $1,918 million in service station and miscellaneous credit-card accounts and home-heating oil accounts.

Source: Federal Reserve Statistical Release, April 2, 1971.

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Table

Credit Unions in the United States, 1950-1969

	1950	1960	1969
Number of credit unions reported	10,571	20,056	23,808
Number of credit union members	4,610,000	12,058,000	21,662,000
Total assets ($ million)	1,006	5,659	15,951
Loans outstanding ($ million)	680	4,402	12,846
Savings ($ million)	884	4,981	13,680
Relative importance of credit unions as lenders of consumer installment credit [1]	4.0%	9.1%	11.8%

[1] Percent of total amount of consumer installment credit outstanding held by all financial institutions and retail outlets.

Source: Statistical Abstract of the United States, 1970, Tables 661 and 673, Bureau of the Census, U.S. Department of Commerce.

Farm Loans Held by Lenders - United States

January 1, Selected Years

	Volume Outstanding (In Millions of Dollars)						
	1959	% of Total	1964	% of Total	1968	% of Total	
Banks	$ 5,673	24.3	$ 9,012	24.5	$12,814	23.9	$
Merchants, Dealers, Finance Companies, Individuals, and Others	8,165	34.9	13,476	36.7	20,068	37.4	
Rural Electrification Administration	2,824	12.1	3,784	10.3	4,590	8.6	
Life Insurance Companies	2,661	11.4	3,781	10.3	5,543	10.3	
Production Credit Associations	1,115	4.8	2,105	5.7	3,518	6.6	
Federal Intermediate Credit Banks	34	.4	126	.3	176	.3	
Federal Land Banks	2,065	8.8	3,282	8.9	5,563	10.4	
Farmers Home Administration (2)	794	3.4	1,199	3.3	1,335	2.5	
TOTAL	$23,381		$36,765		$53,606		$

(1) Preliminary.

(2) Real estate loans included are limited to direct loans

(3) Estimated.

SOURCE: Economic Research Service, U.S.D.A., Agricultural Credit and Related Data 1969, The American Bankers Association.

Farm Loans Held by Lenders - United States

January 1, Selected Years

	Volume Outstanding (In Millions of Dollars)							
	1959	% of Total	1964	% of Total	1968	% of Total	1969	% of Total
	$ 5,673	24.3	$ 9,012	24.5	$12,814	23.9	$ 13,577	23.3
Dealers, Finance Companies,								
als, and Others	8,165	34.9	13,476	36.7	20,068	37.4	21,305(3)	37.4
dification Administration	2,824	12.1	3,784	10.3	4,590	8.6	4,897	8.6
ce Companies	2,661	11.4	3,781	10.3	5,543	10.3	5,777(1)	10.1
Credit Associations	1,115	4.8	2,105	5.7	3,518	6.6	3,826	6.7
rmediate Credit Banks	34	.4	126	.3	176	.3	183	.3
d Banks	2,065	8.8	3,282	8.9	5,563	10.4	6,079	10.7
me Administration (2)	794	3.4	1,199	3.3	1,335	2.5	1,316	2.3
TOTAL	$23,381		$36,765		$53,606		$56,960	

inary.

tate loans included are limited to direct loans

ted.

SOURCE: Economic Research Service, U.S.D.A., Agricultural Credit and Related Data 1969, The American Bankers Association.

ASSETS OF FINANCIAL AND NONFINANCIAL INSTITUTIONS: 1950 to 1968

[In billions of dollars, except percent. As of December 31]

Type of Transaction	TOTAL					PERCENT			
	1950	1955	1960	1965	1968	1950	1955	1960	
All Transactions	996.4	1,468.2	1,969.9	2,967.8	3,803.7	100.0	100.0	100.0	
Households	431.5	683.7	931.0	1,438.8	1,876.4	43.3	46.6	47.3	
Nonfinancial business	133.2	181.3	233.7	319.2	393.3	13.4	12.3	11.9	
Farm	7.2	7.5	7.2	8.2	9.4	0.7	0.5	0.4	
Nonfarm noncorporate	14.4	17.9	20.7	23.6	26.6	1.4	1.2	1.1	
Corporate nonfinancial	111.6	155.9	205.8	287.4	357.2	11.2	10.6	10.4	
U.S. Government	43.3	55.1	65.2	88.9	91.5	4.3	3.8	3.3	
State and local governments	22.8	35.7	49.5	82.7	62.3	2.3	2.4	2.5	
Monetary authorities	49.4	53.0	52.2	63.1	75.8	5.0	3.6	2.6	
Commercial banks	147.8	185.1	226.0	337.6	439.7	14.8	12.6	11.5	
Nonbank finance	140.5	233.2	351.7	553.4	735.7	14.1	15.9	17.9	
Insurance companies	75.2	108.9	144.1	194.3	231.0	7.5	7.4	7.3	
Savings and loan assoc.'s	16.9	37.7	71.5	129.6	152.8	1.7	2.6	3.6	
Mutual savings banks	22.4	31.3	40.6	58.2	71.2	2.2	2.1	2.1	
Private pension funds	6.3	17.6	36.8	70.2	98.3	0.6	1.2	1.9	
Finance and investment companies	11.4	25.1	42.0	76.8	101.7	1.1	1.7	2.1	
Other	8.3	12.6	16.7	24.3	106.8	0.8	0.9	0.8	
Rest of the world	27.9	41.0	60.5	84.2	102.8	2.8	2.8	3.1	

SOURCE: Board of Governors of the Federal Reserve System; Flow of Funds Accounts 1945-1967, Federal Reserve Bulletin, May 1968, and unpublished data, as reported in the Statistical Abstract of the United States 1969, Table No. 639.

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ASSETS OF FINANCIAL AND NONFINANCIAL INSTITUTIONS: 1950 to 1968

[In billions of dollars, except percent. As of December 31]

TOTAL					PERCENT				
1950	1955	1960	1965	1968	1950	1955	1960	1965	1968
996.4	1,468.2	1,969.9	2,967.8	3,803.7	100.0	100.0	100.0	100.0	100.0
431.5	683.7	931.0	1,438.8	1,876.4	43.3	46.6	47.3	48.5	49.3
133.2	181.3	233.7	319.2	393.3	13.4	12.3	11.9	10.8	10.4
7.2	7.5	7.2	8.2	9.4	0.7	0.5	0.4	0.3	0.2
14.4	17.9	20.7	23.6	26.6	1.4	1.2	1.1	0.8	0.7
111.6	155.9	205.8	287.4	357.2	11.2	10.6	10.4	9.7	9.4
43.3	55.1	65.2	88.9	91.5	4.3	3.8	3.3	3.0	2.4
22.8	35.7	49.5	82.7	62.3	2.3	2.4	2.5	2.8	1.6
4[illegible].4	53.0	52.2	63.1	75.8	5.0	3.6	2.6	2.1	2.0
147.8	185.1	226.0	337.6	439.7	14.8	12.6	11.5	11.4	11.6
140.5	233.2	351.7	553.4	735.7	14.1	15.9	17.9	18.6	19.3
75.2	108.9	144.1	194.3	231.0	7.5	7.4	7.3	6.5	6.1
16.9	37.7	71.5	129.6	152.8	1.7	2.6	3.6	4.4	4.0
22.4	31.3	40.6	58.2	71.2	2.2	2.1	2.1	2.0	1.9
6.3	17.6	36.8	70.2	98.3	0.6	1.2	1.9	2.4	2.6
11.4	25.1	42.0	76.8	101.7	1.1	1.7	2.1	2.6	2.7
8.3	12.6	16.7	24.3	106.8	0.8	0.9	0.8	0.8	2.8
27.9	41.0	60.5	84.2	102.8	2.8	2.8	3.1	2.8	2.7

[illegible]rs of the Federal Reserve System; Flow of Funds Accounts 1945-1967, Federal Reserve Bulletin, [illegible]published data, as reported in the Statistical Abstract of the United States 1969, Table No. 639.

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NEW SAVINGS, WITHDRAWALS, AND NET INFLOW FOR FSLIC—INSURED S & LA'S IN PHILADELPHIA SMSA, YEARS 1953 - 1968
(in thousands of dollars)

Year	New Savings Received	Withdrawals	Net Inflow
1968	$894,667	$748,310	$146,357
1967	963,458	765,521	197,937
1966	745,822	727,821	18,001
1965	751,582	558,146	193,436
1964	673,046	500,353	172,693
1963	616,614	460,782	155,832
1962	591,490	435,483	156,007
1961	565,900	381,022	184,878
1960	497,370	355,763	141,607
1959	452,802	326,726	126,076
1958	396,894	296,100	127,794
1957	339,979	256,283	83,696
1956	327,640	224,385	103,255
1955	299,813	192,899	106,914
1954	267,066	156,009	111,057
1953	220,154	136,815	83,339

Source: Data Management Division, Federal Home Loan Bank Board

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TABLE

Deposit Activity in Regular Accounts in Mutual Savings Banks in Pennsylvania, 1959 - 1967
(In Millions of Dollars)

Year	Amounts Deposited	Withdrawals	Net Change in Deposits [1]
1959	493.4	444.2	+ 49.2
1960	472.4	451.4	+ 21.0
1961	491.8	474.4	+ 17.4
1962	653.7	486.0	+167.7
1963	714.2	553.3	+160.9
1964	772.4	614.0	+158.4
1965	795.3	688.4	+106.9
1966	763.6	846.9	− 83.3
1967	918.7	849.1	+ 69.6

[1] Excludes interest.

Source: Annual Reports and National Fact Books of National Association of Mutual Savings Banks.

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WHERE DID YOU JUST COME FROM
before reaching the bank?

WHERE ARE YOU GOING TO NEXT
Immediately after leaving the bank?

Just Came From	Going to Next	No.	Percent	Percent Range of Replies Low	High
Work	Back to work	5,020	29.4	20.3	56.8
Home	Shopping	2,782	16.3	11.4	19.6
Home	Back to Home	2,752	16.1	13.3	18.7
Work	Home	2,096	12.3	3.2	22.0
Home	Work	1,572	9.2	3.6	12.7
All Other		2,880	16.7		
		17,102	100.0		

THOSE making a special trip just for banking purposes (Work and back to work, plus Home and back to home) totaled 0,772 or 45.4%. For separate banking offices the range was 37.5-58.7%.

THE REPLIES were not affected by day of week, time of day, whether drive-in or lobby, or mode of transportation used in reaching the bank, except in obviously affected situations.

> For example, those stopping at the bank en route from work to home were greater in number on pay-days; those stopping at the bank en route from home to shopping were greater in number on late nights. The type of territory served (industrial, upper-income residential, etc.) similarly only had such obvious effects.

THE PERIOD covered by the surveys was a minimum of one full week for all banking hours at each office. Both commercial and savings institutions are included for all types of deposits.

SOURCE: Spencer Wert & Associates, New York, New York.

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Reason for Selecting Bank for the Main Household Checking Account

Reason	*Per Cent* *
Convenient to Home	47
Convenient to Work	11
Family has always used	6
Was convenient, kept after moving	4
Only one there (at time) no choice	2
Convenient to Shopping	4
Nice, friendly, like it	10
Recommended	4
Have Mortgage, loan, etc., there	2
Other	19

* Exceeds 100% due to some responses with more than one reason.

Source: Study, Staff of the Board of Governors of the Federal Reserve System in cooperation with the Federal Reserve Bank of Philadelphia as reported in the March, 1969, issue of the *Business Review* of the Federal Reserve Bulletin (Philadelphia).

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TABLE

Correspondent Balances of Banks in First National Bank of Denver's Service Area, 12/31/69 and of First National Bank of Greeley as of that date in that Service Area

State	Balance at Banks Less Reciprocals & Fed. Balances 12/31/69 (000)	
Colorado	206,363	
Kansas	298,787	
Nebraska	177,674	
New Mexico	49,516	
Wyoming	58,223	
	790,563	
First National Bank of Denver	67,614	8.6%
First National Bank of Greeley	1,357	0.2%

SOURCES: Federal Reserve Bank of Kansas City Special Study; Answer to Interrogatories 21, 25.

* Area from which major Denver banks have almost 90% of their sales of bank services to other banks (Justice pre-trial brief, p. 42). Only about 60% of major Denver bank deposits are drawn from inside Colorado (ibid).

** If the affiliation is approved and First National of Denver succeeds to all First National of Greeley's business in the service area, it would gain full control of 0.2% of service area correspondent balances.

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TABLE

PROFITABILITY ANALYSIS FIRST NATIONAL BANK OF GREELEY CORRESPONDENT ACCOUNT WITH FIRST NATIONAL BANK OF DENVER—CALENDAR YEAR 1970

January	+89.93	July	—[224.50]
February	+992.50	August	+2,210.34
March	+59.70	September	+1,409.41
April	—[269.00]	October	—[1.18]
May	—[115.18]	November	+334.14
June	—[175.64]	December	+731.81
	TOTAL (Before Taxes)		$5,042.33
	After Tax Income FNB Denver (Calendar Year 1970		5,096,003
	% Contribution FNB Greeley Correspondent Account		0.05%

SOURCE: Internal Records First National Bank of Denver

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Line of Commerce Mortgage Loans
Weld County

Lenders	No. of Loans	%	Amount	%
Weld County	380	14.8	$15,257,187	22.9
All Other Banks	150	5.8	5,863,889	8.8
Total—All Commercial Banks	530	20.6	$21,121,076	31.7
Savings & Loan Associations	353	13.7	$ 8,432,020	12.7
Insurance Companies	132	5.1	3,663,550	5.5
Farmers Home Administration	78	3.0	2,692,690	4.0
Federal Land Bank	65	2.5	2,911,700	4.4
Production—Credit Associations	12	.5	1,506,264	2.3
Industrial Banks	120	4.7	771,644	1.2
Mortgage Companies [1]	74	2.9	1,184,770	1.8
Other Company Lenders [2]	243	9.4	4,131,817	6.2
Private Individuals	125	4.9	12,287,058	18.5
Miscellaneous [3]	843	32.7	7,769,012	11.7
Total—Non-Banks	2,045	79.4	$45,350,525	68.3
TOTAL	2,575	100.0	$66,471,601	100.0

[1] To the extent identifiable.

[2] All other "companies" as opposed to individuals.

[3] Company loans under $10,000; Individual loans under $30,000.

Source: Security Abstract Co.

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TABLE

BANKS INSIDE STATES AND COMMUNITIES CONTIGUOUS TO COLORADO WHICH ARE DOWNSTREAM CORRESPONDENTS WITH MAJOR DENVER BANKS

State	Banks	Number of Correspondent Relationships
Kansas	65 of 606	68
Nebraska	60 of 443	69
New Mexico	38 of 64	43
Utah [1]	12 of 50	15
Wyoming	53 of 70	88
	TOTAL	283

[1] Statewide Branch Banking State. Major relationships would, accordingly, be few.

KANSAS

Town	Bank	Denver Correspondent
Albert	The Farmers State Bank	Central
Atwood	The Farmers National	Central
	State Bank of Atwood	Central
Bazine	The Bazine State Bank	Central
Bennington	The Bennington State Bank	Central
Bird City	The Security State Bank	Central
Burdett	The Burdett State Bank	Central
Cimarron	The First National Bank	Central
Colby	The Farmers & Merchants Bank	Central
Garden City	The Garden National Bank	Central
Goodland	First National Bank	United Bk./Denver/Fi Natl. & Central
Gorham	The Gorham State Bank	Central
Great Bend	Security State Bank	Central
Greensburg	Greensburg State Bank	Central
Grinnell	Peoples State Bank	Central
Healy	The First State Bank	Central
Hill City	Consolidated State Bank	Colorado National
Hoisington	The First National Bank	Central
Hoxie	The Hoxie State Bank	United Bk./Denver Central
Jennings	The First State Bank	Central
Kansas City	Brotherhood State Bank	Colorado National
	Security National Bank	Central
Kensington	The First National Bank	Central
Kinsley	The Kinsley Bank	Colorado National
Lakin	The Kearny County Bank	Central
Larned	The First State Bank	Central
Lewis	The Home State Bank	Central
Liberal	The First National Bank	Central
Ludell	The Farmers State Bank	Central
McDonald	The Peoples State Bank	Central
Minneola	The Peoples State Bank	Central
Morland	Citizens State Bank	Central
Nekoma	The Nekoma State Bank	Central
Norton	The First State Bank	Central
Oakley	The Farmers State Bank	Central
Oberlin	The Farmers National Bank	Central
Otis	Otis State Bank	Central
Plains	The Plains State Bank	Central
Rexford	The Rexford State Bank	Central
Russell	Russell State Bank	Central
Saint Francis	The Cheyenne County State Bank	United Bk./Denver
	The Citizens State Bank	Central/First National
Salina	The National Bank of America	Colorado National
	Planters State Bank	United Bk./Denver Central
Satanta	The State Bank of Satanta	Central

Town	Bank	Denver Correspondent
Scott City	The First National Bank	United Bk./Denver
	Security State Bank	Central
Sharon Springs	The Peoples State Bank	Central
Smith Center	The First National Bank	Central
	The Smith County State Bk. & Tr. Co.	Central
Stuttgart	The Farmers State Bank	Central
Syracuse	First National Bank	Central
	The Valley State Bank	Central
Topeka	The Topeka State Bank	Central
WaKeeney	First National Bank	Colorado National
	The Trego-WaKenney State Bank	Central
Wichita	East Side National Bk. & Tr. Co.	So. Colorado Nat'l. Bk.
	Union National Bank	Colorado National
	First National Bank	First National
Centralia	First National Bank	First National
Goodland	Goodland State Bank	First National
Hoxie	First National Bank	First National
Topeka	The State's Savings Bank	First National

Source: Polks World Bank Directory, March, 1971 Edition Records of First National

NEBRASKA

Town	Bank	Denver Correspondent
Alliance	Alliance National Bank	Colorado National
	The Guardian State Bank	Colorado National/First Nat'l.
Bertrand	Bank of Bertrand	United Bk./Denver
Brady	Bank of Brady	Central
Brule	Bank of Brule	Central
Bushnell	Kimball County Bank	United Bk./Denver
Cairo	The State Bank of Cairo	United Bk. of Denver
Campbell	Campbell State Bank	Central
Chardon	Bank of Chadron	Central
	First National Bank	United Bk./Denver
Culbertson	The Culbertson Bank	Central
Dalton	Dalton State Bank	University Nat'l./First Natl.
Farnam	Farnam Bank	University Nat'l. Bk.
Gering	Bank of Gering	Central
	The Gering National Bank	American Nat'l./First Natl.
Gordon	Gordon State Bank	Colorado National
Gothenburg	First State Bank	Central
		Colorado National
Grand Island	The Overland National Bank	Central
Harrisburg	Banner County Bank	Colorado National
Hastings	City National Bank	United Bank of Denver
	First National Bank	Central
Hay Springs	The First National Bank	American National
Hemingford	Bank of Hemingford	Central
Imperial	The First National Bank	Central
Kearney	First National Bank	United Bk./Denver
	Platte Valley State Bk. & Tr. Co.	Central/First National
Kimball	The American National Bank	Central
	First State Bank	Colorado National
Lewellen	First National Bank	Central
Lincoln	First National Bk. & Tr. Co.	United Bk./Denver
	National Bank of Commerce	United Bk./Denver
Maywood	Farmers State Bank	Central
McCook	The First National Bank	United Bk./Denver
	The McCook National Bank	Central
Minden	The First National Bank	Central
North Platte	McDonald State Bank	United Bk./Denver
		Central
Ogallala	The First National	Central/First National
	Keith County Bk. & Tr. Co.	Colorado National
Ord	Nebraska State Bank	Central
Palmer	State Bank	Central
Potter	The Potter State Bank	Central
Ravenna	The Ravenna Bank	Central
Rushville	The Stockmens National Bank	Central

Town	Bank	Denver Correspondent
Scottsbluff	First State Bank	United Bk./Denver
	The Scottsbluff National Bank	Central/First National
Sidney	The American National Bank	Central/First National
	Sidney National Bank	Colorado National
Springfield	Springfield State Bank	Central
Trenton	State Bank of Trenton	Central
Valentine	Bank of Valentine	Colorado National
York	The First National Bank	Central
—		
Bassett	Commereial Bank	First National
Bayard	First National Bank	First National
Benkelman	State Bank of Benkelman	First National
Big Springs	Farmers State Bank	First National
Bridgeport	Bridgeport State Bank	First National
Chappel	Duel County State Bank	First National
Gothenburg	Gothenburg State Bank	First National
Hyannis	Bank of Hyannis	First National
Scottsbluff	Western National Bank	First National

Source: Polks World Bank Directory, March, 1971 Edition Records of First National

NEW MEXICO

Town	Bank	Denver Correspondent
Alamagordo	Security Bk. & Trust Co.	First National
Albuquerque	Albuquerque National Bank	First National/United Bk./Denver
	American Bank of Commerce	First National
	Bank of New Mexico	American National
	The First National Bank	Colorado Nat'l./United Bk./Denver
	Fidelity National Bank	American National
Artesia	Peoples State Bank	Colorado National
Belen	Ranchers State Bank	Central
Clayton	Farmers & Stockmens Bank	First National/Central
	First National Bank	Colorado Nat'l./United Bk./Denver
Clovis	The Citizens Bank	Colorado National
Deming	Mimbres Valley Bank	Colorado National
Espanola	First Nat'l. Bk. of Rio Arriba	First National
	Valley National Bank	Colorado National
Farmington	The Citizens Bank	Central
	Farmington National Bank	Colorado National
	The First National Bank	Colorado National
Gallup	First State Bank	American National
Grants	First National Bank	Colorado National
	Grants State Bank	First National
Hobbs	First National Bank	Colorado National
Las Vegas	The Bank of Las Vegas	First National
	First National Bank	Central
Lordsburg	The First National Bank	Colorado National
Los Alamos	Los Alamos National Bank	Colorado National
Portales	The First National Bank	Colorado National
Raton	First National Bank	United Bk./Denver
	International State Bank	First National
Roswell	Security National Bank	Central
Santa Fe	Bank of Santa Fe	Colorado National
	The First National Bank	First National/United Bk./Denver
	Santa Fe National Bank	American National
Santa Rosa	The First National Bank	Colorado National
Socorro	First State Bank	Central
Springer	Citizens State Bank	Central
Taos	Centinel Bank of Taos	Colorado National
	First State Bank	United Bk./Denver
Tucumcari	The First National Bank	Colorado National

Source: Polks World Bank Directory, March, 1971 Edition Records of First National

UTAH

Town	Bank	Denver Correspondent
Moab	Moab National Bank	Colorada National
Ogden	Bank of Utah	First National
	Citizens National Bank	Central
	Commercial Security Bank	First National
Price	Carbon Emery Bank	First National
Salt Lake City	The Continental Bank & Tr. Co.	Central
	First Security Bank of Utah	First National/United Bk./Denver
	Tracy-Collins Bk. & Trust Co.	United Bk./Denver
	Valley Bank & Trust Co.	First National
	Walker Bank & Tr. Co.	First National /American National and United Bk./Denver
	Zions First National Bank	First National
Vernal	Bank of Vernal	Colorado National

Source: Polks World Bank Directory, March, 1971 Edition Records of First National

WYOMING

Town	Bank	Denver Correspondent
Basin	Security State Bank	First National
Big Piney	State Bank of Big Piney	United Bk./Denver
Buffalo	The First National Bank	Colorado Nat'l./United Bk./Denver
	Wyoming Bank & Trust Co.	Central
Burns	Farmers State Bank	Colorado Nat'l.
Casper	First National Bank	First National/American Nat'l.
	Hilltop National Bank	Security Nat'l./United Bk./Denver and First National
	Security Bank & Trust Co.	Colorado Nat'l.
	Western National Bank	American Nat'l.
	Wyoming National Bank	First National/United Bk./Denver and Central
Cheyenne	The American National Bank	Central/United Bk./Denver and First National
	Cheyenne National Bank	Central/American National
	First Cheyenne State Bank	American National
	The First Nat'l. Bank & Trust Co.	Colorado Nat'l./United Bk.-Denver
Cody	First State Bank	Colorado National
	Shoshone First Nat'l. Bk.	American Nat'l./Central
Douglas	The Converse County Bank	Central/First National
	First National Bank	United Bk./Denver
Dubois	Dubois National Bank	Colorado Nat'l./First National
Evanston	First National Bank	Central
Gillette	First National Bank	Central
	Stockmen's Bank	First National/United Bk./Denver and Colorado National
Glenrock	First National Bank	American National
Green River	First National Bank	American National
Greybull	The First National Bank	Central/First National
Guernsey	Oregon Trail Bank	Central
Kemmerer	The First National Bank	United Bk./Denver
Lander	Central Bank & Trust	Central/United Bk./Denver
	The First National Bank	American National/Colorado Nat'l. and United Bk./Denver
Laramie	Bank of Laramie	First National
	The First National Bank	American Nat'l./United Bk./Denver/First National

Town	Bank	Denver Correspondent
	University National Bank	Central/Colorado Nat'l.
Lovell	The First National Bank	First National
Lusk	Stockmans National Bank	Colorado National
Newcastle	First State Bank	Central
	National Bk. of Newcastle	Colorado National
Pinedale	First National Bank	Colorado National
Powell	American National Bank	Colorado Nat'l./United Bk./Denver
	The First National Bank	First National
Rawlins	The First National Bank	United Bk./Denver/First National
	The Rawlins National Bank	Colorado National/ Central
Riverton	American National Bank	First National/Central/ and Colorado National
	The First National Bank	American National/ United Bk./Denver/
Rock Springs	North Side State Bank	United Bk./Denver/ First National
	Rock Springs National Bank	
Sheridan	Bank of Commerce	First National
	The First National Bank	Colorado Nat'l./First National
Sundance	Sundance State Bank	Central
Torrington	The Citizens National Bank	First National
	First National Bank	First National/Colorado National
Upton	Union State Bank	Central
Wheatland	First National Bank	First National/Colorado National
	StockGrowers Bank	Central/American National
Worland	First National Bank	First National/Colorado National

Source: Polks World Bank Directory, March, 1971 Edition Records of First National

DX-68

STATE BANK OF GREELEY COLORADO

8th Avenue at 9th Street Greeley, Colorado 80631
352-7080

February 16, 1970

Mr. Robert Gilbert, President
First National Bank of Greeley
Greeley, Colorado 80631

Dear Mr. Gilbert:

This letter is in response to your inquiry seeking our candid opinion of the competitive effects our bank and the Greeley community may experience if The First National Bank of Greeley becomes affiliated with the First National Bancorporation, Inc., a registered bank holding company of Denver, Colorado.

Assuming the application for prior approval is approved by the Federal Reserve Board, we do not feel that our bank would be affected in any material way. While competition for deposits does exist, such is severely limited by the regulated interest rates which banks are allowed to pay.

We all are aware of the relative shortage of loanable funds available in the Greeley area at the present time, which unless corrected, will prove detrimental to the anticipated growth of Weld County. It is expected that this problem may be alleviated by the two holding companies currently operating here; however, we feel that the community would benefit if the acquisition were permitted because of the increased competition.

We are very much opposed to a de novo bank commencing business in Weld County at the present time. Despite the projected population growth, the present banks can satisfactorily accommodate the needs of the community for the foreseeable future. A de novo bank does not bring in new deposits, but instead draws funds from other banks.

All in all, we are convinced that your proposed affiliation is beneficial to the community because of the pro-competitive aspects and our bank would profit because we would still be the only privately owned commercial bank in the Greeley area.

Yours truly,
/s/ N. J. Chamberlin
N. J. CHAMBERLIN
President

NJC:vb

DX-69

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO

Civil No. C-2413

UNITED STATES OF AMERICA, *Plaintiff*, vs. FIRST NATIONAL BANCORPORATION, INC., AND THE FIRST NATIONAL BANK OF GREELEY, *Defendants.*	DEPOSITION OF EUGENE H. ADAMS (Taken by Plaintiff)

PURSUANT TO NOTICE, the deposition of EUGENE H. ADAMS, called for examination by the plaintiff herein, was taken at the Trust Department Conference Room, First National Bank of Denver, in the City and County of Denver, State of Colorado, beginning at the hour of 10.45 o'clock in the forenoon of the 23rd day of November, 1970, before Bertram Naster, a Certified Shorthand Reporter and Notary Public in and for the State of Colorado;

The plaintiff appearing by its attorneys, Mr. Herbert G. Schoepke, Mr. Eugene V. Lipkowitz, and Mr. Kevin D. Brenan, Attorneys, United States Department of Justice;

And the defendant First National Bancorporation appearing by its attorneys, Hughes & Dorsey, by Mr. Edward B. Close, of Denver, Colorado, and Metzger, Schwarz & McKenna, by Mr. Eugene J. Metzger, of Washington, D.C.

WHEREUPON, the following proceedings were had:

EUGENE H. ADAMS,

called for examination by the plaintiff herein, being first duly sworn, testified as follows:

EXAMINATION

BY MR. SCHOEPKE:

Q. Would you state your name for the record, sir, please.
A. Eugene H. Adams.
Q. Where do you reside, Mr. Adams?
A. Actual address?
Q. Yes.
A. 1201 Williams Street, Denver.

Q. And your present occupation?

A. Banking.

Q. What bank?

A. President, First National Bank of Denver.

Q. How long have you been President of First National Bank?

A. Since October of 1951.

Q. '51?

A. No, I'm sorry, '61—I beg your pardon, '61.

Q. Could you trace very briefly your career in banking from the time you first entered the field.

A. I started with the International Trust Company in September of 1934, which was the fall after I graduated from college, so I have never been in anything but banking.

In 1939, I became a junior officer of that bank. In 1944, I became a senior officer and a director. I was still in the Trust Department, which is where I started.

In April of 1951, I became President of the bank, and I continued in that capacity until it was merged with the First National Bank of Denver in August of 1958, at which time I became Executive Vice President of this bank. And then I became President in October of '61, when Mr. Evans moved up to Honorary Chairman of the Board, and I have been President ever since—up till now, anyway.

Q. Mr. Adams, I would like, if I may, to direct your attention to the defendant's answer to Interrogatory 30, which was served by the plaintiff in this case. At the beginning of the answer that is concerned with you, your name is there and the second sentence of the answer reads as follows: "Since August 23, 1963, when the first of a series of applications was filed, Mr. Adams has been in an executive capacity and as such was a member of the group which made the final decision to proceed in each instance."

I wonder if you would tell us, with respect to the organization of the First National Bank of Northglenn, how it came about when the decision was made to organize that bank.

A. Well, I assume—that is the date when the application for a charter at Northglenn was filed, and at that time the Northglenn Shopping Center and Northglenn residential area had become a substantial area in population and in importance in northwestern Denver, and we determined at that time that we would apply for a charter for an affiliate

bank out there, with the Comptroller of the Currency, and offer the stock along the line to our own stockholders to make it, of course, a legal affiliate. And the chips fit in place as we went along with that one, and then I think in November that bank actually was granted the charter, and it started in November in a little bitty house out there. And then it was followed by the—Bear Valley was second, and then Southglenn bank was the third of the affiliate banks for which we applied for charters.

Q. Well, how did it come about that you applied for a charter for the Bear Valley bank?

A. Well, remember, there was no bank in Northglenn when we applied, there was no bank in Bear Valley when we applied, there was no bank in Southglenn when we applied, and there were no banks within two or three miles, I think, of any of the three of them. They were rapidly growing suburban areas of Denver into which we wanted to extend our services, and this was the vehicle which we adapted to extending those services.

Q. So that your last answer is generally applicable to all four of the affiliates which you organized about that time?

A. Well, three.

Q. Three?

A. Three. We only have four units altogether at the moment.

Q. Now, did you participate in any way in the determination to organize a holding company?

A. Yes.

Q. And what was your function with respect to that matter?

A. Well, as President of this bank and a member of the Board, I was one of the group who made the decision to form a holding company, and when it was formed, as I am sure you know, I became President until the summer of 1969, I believe it was, when Mr. Alexander was named President.

Q. When was the question of organizing a holding company first discussed, to the extent, of course, that you were engaged in its discussion?

A. Well, I'd have to—I can't remember a specific date, Mr. Schoepke, but I have to hark back there to probably the time when the Denver U.S. National made its decision

to apply or to try and form a holding company, and that obviously would have focused our attention immediately on the question, because they are and have been our chief competitor for ever since our two banks were merged in 1958.

You remember that the Western Bancorporation has been here in Colorado since 1956, but cannot go any farther because we have no specific state law permitting them to do so. We also had the First Colorado Bancshares, which is the socalled Carney-Weckbaugh group of four banks in the Denver area, which has been in existence for ten years, I guess—just guessing at that.

But when the Denver U.S. decided to form a holding company—I don't remember exactly when this was, about late 1963 or 1964, somewhere in there—we obviously had to give it immediate consideration, beginning at that time, as to what we were going to do.

Q. Mr. Adams, I would like to direct your attention to Interrogatory Answer No. 32, which is concerned with the Greeley application, and Section B of the answer, the first sentence, reads as follows: "The initial discussion was instigated by Mr. Robert Gilbert, who called Mr. Eugene H. Adams, President of the First National Bank of Denver, to determine whether or not Bancorporation would have an interest in acquiring 80 per cent or more of the outstanding shares of the First National Bank of Greeley."

I wondered if you could tell us, to the best of your recollection, what took place at this initial contact, and to the extent you can recall, what Mr. Gilbert said to you and what you said to Mr. Gilbert.

A. Well, Mr. Schoepke, I respectfully suggest that the answer here is the gist of the conversation. It wasn't very long. He simply asked me, as indicated here, if we would have an interest in acquiring their bank for the holding company, and I said, "Well, I would like to discuss this with my associates, but I think probably we would."

And after talking to my associates, we concluded we very definitely would, and then from that point on Mr. Alexander, aided by Mr. Close, became our negotiators, with Mr. Gilbert and Mr. Eaton and the rest of them up there.

Q. It is indicated in the second sentence of this answer, and you have also alluded to it just now, that after you had your first discussion with Mr. Gilbert—or vice versa,

however you prefer to put it—that there was a discussion amongst officers of the Bancorporation about Mr. Gilbert's contact with you. Now, among what officers was the matter then discussed with you, by you?

A. Well, certainly with Mr. Alexander, with Mr. Close, with Mr. Dorsey. I don't recall exactly, but I'm sure that the four of us were parties to the decision.

Q. Was this discussion just one discussion, or was it a series of discussions?

A. Well, I can't recall specifically whether there was more than one or not. I don't think, as a practical matter, that a decision like this would necessarily take a series of discussions. We either wanted to talk to the bank at Greeley or we didn't. I mean, I think it is almost as simple as that.

Q. Well, now, with respect to this discussion, could you tell us why it was that the officers of Bancorporation were interested in conducting further discussions with Mr. Gilbert?

A. Well, you mean why did we want to be in the Greeley area?

Q. Well, if you'd like to answer it in that way, that's fine.

A. Let me answer it this way. Obviously, we want to be in the Greeley area. The Weld County Bank at that time was gone to the United Banks of Colorado. The Greeley National Bank, which is the largest bank in Greeley, was probably out of consideration because of its size.

The First National Bank of Greeley had been an extremely old correspondent of ours, although we were not at the time a major Denver correspondent with First National Bank of Greeley. And we were very anxious, as I say, to get into the Greeley area, because it is one of the best towns in northern Colorado, and has been for many, many, many years a great agricultural area, and a fine area. And we would very much like to have a unit up there in Greeley.

Q. Now, could you tell us, if you know, whether there was any investigation of the convenience and needs of the City of Greeley for the services or the presence of your holding company in Greeley, prior to the negotiations that were conducted with Mr. Gilbert?

A. Do you mean by us or by anyone?

Q. By you. And here again, I have to tie it to your knowledge.

A. Well, we have been in the Greeley area as a correspondent bank for a long time, we know the Greeley area very well, we like the Greeley area very well, and we wanted to be in there personally, let's say, rather than through a correspondent relationship, because it is one of the growth areas of Colorado and we'd like to be in it.

(Recess.)

Q. Mr. Adams, did I understand you correctly a moment ago that you said that Greeley National was out because of its size, as a possibility for acquisition?

A. Well, let me restate that, if I may. It was the largest bank, and as the largest bank in Greeley, I think at the time was the largest bank in northern Colorado. It had at least one legal affiliate of its own at that time, or even two. Were there two? Anyway, it was a very independent type of bank and a very well-run, very well-managed bank, and considering its size and its management and the fact that it has two legal affiliates, there just wasn't any point in pursuing it at all.

And you don't like us to seek the first bank in any community anyway, I understand; and we wouldn't, under normal circumstances—we would not do it.

Q. Well, do I understand that you felt that you might not be able to get Federal Reserve Board approval?

A. Right.

Q. Of such an acquisition?

A. Right. And the Justice Department, too. There were special circumstances in Pueblo, as I think you well know.

Q. Well, perhaps you have a unique sense—that was the import of a note that was handed me: Why, then, did you try to buy the First National Bank of Pueblo?

I think the question is moot, we don't have to pursue it, unless you would like to add something.

A. Well, it was forced upon us, so to speak, by a group of very large stockholders.

Q. In what way was it?

A. Tied it together with the Exchange National Bank in Colorado Springs—Mr. Farrar's influence with the rest of the Farrar group, Farrar-Thatcher group. And it was kind of a package deal. And if we had had a free decision to make in regard to Pueblo, we would not have sought to acquire it.

Q. Well, do I understand you correctly, then, that for

you to acquire the bank that you applied for in Colorado Springs, it was necessary because of Mr. Farrar's influence that you also acquire at the same time the Pueblo bank? Is that correct?

A. That's correct. And he tied a further condition to it at first, which he rescinded later because we refused to concur in it, that if the Board should turn down Pueblo, we would then have to give up Exchange. And we said, "We will not agree to any such condition."

Q. Well, now, did you ever have any discussion with Mr. Farrar about the other bank that he had in Colorado Springs?

A. Yes, but it was not available. He has personal involvement in Exchange and Pueblo, and for reasons of his own, perhaps due to his own debt situation, he was not willing to consider the Colorado Commercial at that time.

Q. Is that the third bank that he holds in Colorado Springs, or the second bank?

A. Well, it is the second. He has a new charter of the Citadel State Bank out in the new shopping center. But that was the second.

Q. Did you discuss with him at all the possibility of acquiring that new bank for which he has a charter, or was that not in existence at the time?

A. No. It wasn't in existence. It has just recently been chartered.

Q. Did you have any discussion with him concerning the acquisition of the Commercial Bank alone?

A. Some, but as I say, he was not willing to go any farther with it.

Q. Could you tell us how it came about that the holding company first came to the point of giving consideration to acquiring a bank in Colorado Springs?

A. Well, I think the answer to that one, Mr. Schoepke, must be obvious. Colorado Springs is the number one growth area of the State of Colorado, and is obviously an area in which we would like to participate. It is growing extremely fast. The population has, I think, doubled in the last ten years. And we would very much like to have a unit there.

Q. We have noted recently in the newspapers, and also discussed in prior depositions, that First National Bancorporation has reached an understanding with the Na-

tional State Bank of Boulder, and to the extent that that has reached your level, could you tell us how it came about that First National Bancorporation determined to seek the National State Bank in Boulder?

A. The bank up there, I believe, in the person of a man named Don Culver, sought us out, specifically Mr. Alexander in this case.

I assume you know the background of the ownership of the bank—the Parsons group in Detroit. And they have been forced to divest themselves, I think, of several of their banks, because of financial problems within the partnership and within the banks themselves. And when Mr. Culver asked us if we were interested, we indicated we were, as a specialized situation.

Q. Now, when was this communication made by Mr. Culver? Was that after the Parsons group was in control of the bank?

A. Oh, yes, yes. This was—I don't remember exactly. Mr. Alexander probably would, but this was probably four months ago, three months ago, relatively recently.

Q. Well, just to refresh your recollection, there were discussions with the National State Bank in Boulder prior to the acquisition of control by the Parsons group, were there not?

A. Well, that's right. When Mr. Chuck Sayre was the President of the bank, which was for many, many years prior to the acquisition by the Parsons group, there were some discussions with him as to whether or not he and his other owners would be interested, and it was purely a coincidence, I think, but at that time Mr. Culver and the Parsons group made a tender offer for the bank and took it away from Mr. Sayre and his associates.

(Pause.)

Well, as Gene prompts me, he—or Mr. Sayre did inquire of us whether or not we would be interested, and he apparently had knowledge that somebody was going to be after his bank.

Q. Well, did you express to Mr. Sayre, did you indicate to Mr. Sayre that you did have an interest?

A. We indicated to him that we did have some interest in it, that we would consider it very seriously. But before anything, any kind of a decision could have been made by

us, bingo—it was gone. He no longer owned it, and he was out.

Q. Well, could you tell us why you had an interest in acquiring the bank when Mr. Sayre first approached you?

A. Well, here again, Boulder is the second fastest growing area in Colorado, and here again, we would obviously very much like to be in the Boulder area. This is the number two bank in Boulder, but the difference in size between the number two and the number three bank is not really very significant. Here is a bank, if you please—it was a very old one, it was chartered, I think, in 1874. But for many, many, many years, till the time of the acquisition by the Parsons group, it had been a sleepy old country town bank, it wasn't aggressive at all. Mr. Sayre was a fine banker; the condition of the bank was wonderful, if you consider liquidity as the only important factor in the operation of a bank.

It hadn't grown hardly at all in the last two decades, while the Mercantile and the First National Bank of Boulder, particularly, have just gone up to beat the dickens in growth. It was, oh, kind of a family type bank, just standing still, asking for somebody like Parsons to snap it up, obviously, and that is what happened to it.

But if we could have made a deal with Mr. Sayre, or if we can get the approval of the Federal Reserve Board and, by your grace, your non-intervention, we think we can inject some real competition in the Boulder area.

And in that connection, I wonder if I might make a general statement here?

Q. Would you like to make it off the record or on the record?

A. No, just as soon have it on the record—in regard to competition.

The Justice Department is anxious to have competition in every area in the United States. You think that the de novo route is the best route to do it by. We don't happen to agree. And I'd like to say this, that if we can get into the Greeley area, if we can get into Colorado Springs, if we can get into Boulder, if we can get into other areas of Colorado that are growing, or some that may not be growing so much, that need development, we will show you competition like you have never seen before.

If we can compete in Greeley with the United Banks of Colorado and the A.B.C. group, there will be competi-

tion; I'll guarantee you there will be a hell of a lot of it that is not there now, and has not been there in the past. We cannot do it with a de novo bank, for probably twenty years. It just isn't in the cards.

End of speech.

Q. Might I just ask you briefly about the Sterling acquisition for which you have an application pending before—no, that has been approved, hasn't it?

A. Yes, it has.

MR. METZGER: Four to one, no dissent.

Q. (By Mr. Schoepke) Could you tell us how it came about that the Bancorporation became interested in acquiring the bank in Sterling?

A. Well, here again is an old correspondent bank that was founded by Mr. Ray Towne, who was the father-in-law of Ted Brown, our president Executive Vice President. It is a fine bank in northern Colorado, as I think you know.

And I can recall this one because Ted Brown has been on the Denver Branch Board of the Fed—this is his fifth or sixth year, I think, and at the time we first discussed this I was on the Federal Reserve Board in Kansas City, and about three time a year he would go back to Kansas City with me to attend meetings, because the Denver Board members attend Kansas City in rotation. And we were on a private airplane, Public Service Company of Colorado airplane, this time, when we first discussed the question of whether or not the Security State Bank of Sterling might become a member of the First National Bancorporation.

But that was—I don't recall the exact date—back in '67 some time, I think, and it was purely a preliminary conversation at the time, with no decision at all, on either part.

Q. Well, now, you did reach an agreement to acquire the bank at Sterling. Could you tell us why First National Bancorporation is interested in acquiring an affiliate in Sterling.

A. Well, because, number one, Sterling again is—not a dynamic growth area of the state, but it is in a growing area, it is in a fine agricultural area of the state.

When Mr. Brown came to the First National Bank of Denver as Executive Vice President—and this was not a deal, I want to make that absolutely clear, that his coming

here as Executive Vice President was not contingent upon his and his brother-in-lay's selling us that bank, there was no connection whatsoever about that. We needed him in the bank here. He is an outstanding banker in this state, recognized nationally, and we wanted him for himself.

But after he came here, it became a matter of more interest to us and to him to see if there is a way to put Security State into the holding company.

Q. Did you give consideration to acquiring any other banks beside Mr. Brown's bank in Sterling?

A. No, no, I don't think so. After he came here, there would obviously have been no reason to consider any other bank, because that would make some kind of a conflict; it would have been insoluble.

Q. But you were aware, were you not, that this was about the largest bank in Sterling?

A. Oh, yes, I am aware of the figures all right.

MR. SCHOEPKE: I don't think we have any further questions.

MR. METZGER: We stand adjourned sine die.

MR. SCHOEPKE: We continue this deposition to an indefinite future date.

MR. METZGER: And the defense does not agree to that

THE WITNESS: Does that mean——

MR. METZGER: Mr. Schoepke is preserving his options, as we are denying that he has them.

_____
(Signature of Witness)

Subscribed and sworn to before me
this ..... day of ....., 19...
My Commission expires .....

_____
Notary Public

CERTIFICATE

State of Colorado
City and County of Denver } ss.

I, Bertram Naster, Notary Public and Certified Shorthand Reporter, State of Colorado, duly commissioned to administer oaths, do hereby certify that previous to the commencement of the examination of the said EUGENE H. ADAMS, said witness was duly sworn by me to testify the truth, the whole truth, and nothing but the truth, and was thereupon interrogated as set forth in the foregoing deposition;

That the said deposition was taken in machine shorthand by me at the time and place aforesaid and was reduced to typewriting under my supervision;

That the foregoing is a true transcript of the questions asked, the testimony given, and the proceedings had;

That I am not attorney or counsel, or in any way connected with any attorney or counsel, for any of the parties to said action, or otherwise interested in its event.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal this .... day of ....., 19...

My Commission expires June 9, 1974.

BERTRAM NASTER,
Notary Public

DX-70

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO

Civil Action No. C-2413

UNITED STATES OF AMERICA,
Plaintiff,

vs.

FIRST NATIONAL BANCORPORATION, INC. AND THE FIRST NATIONAL BANK OF GREELEY,
Defendants.

DEPOSITION OF BRUCE D. ALEXANDER

PURSUANT TO NOTICE AND THE FEDERAL RULES OF CIVIL PROCEDURE, the deposition of BRUCE D. ALEXANDER, president of the defendant First National Bancorporation, was taken by the plaintiff at 9:00 a.m. on Wednesday, November 18, 1970, in the Trust Department conference room of the First National Bank Building, Denver, Colorado, before Thomas T. Tomko, Notary Public and Certified Shorthand Reporter, State of Colorado.

The Plaintiff appeared by HERBERT G. SCHOEPKE, KEVIN D. BRENAN and EUGENE V. LIPKOWITZ, Attorneys, Department of Justice, Anti-Trust Division, Washington, D. C.

The Defendants appeared by EUGENE J. METZGER and CARL W. SCHWARZ of Metzger, Schwarz & McKenna, Attorneys at Law, One Farragut Square South, Washington, D. C.

Also present, Robert M. Gilbert.

* * *

PROCEEDINGS

MR. SCHOEPKE: I assume you want to have the witness read the transcript.

MR. METZGER: We would like an opportunity to correct the transcript.

MR. SCHOEPKE: I would just as soon have the witness attach his affidavit.

BRUCE D. ALEXANDER,

the deponent herein, called by the plaintiff, having been first duly sworn, was examined and testified as follows:

CROSS-EXAMINATION

BY MR. SCHOEPKE:

Q. Would you state your name for the record, please.
A. Bruce D. Alexander.
Q. Where do you reside, Mr. Alexander?
A. 290 Dexter Street, Denver, Colorado.
Q. What is your present employment?
A. President of the First National Bancorporation.
Q. Is that the same organization that is the defendant in the matter concerning which we are now holding this deposition?
A. Yes.
Q. Now, Mr. Alexander, the plaintiff in this matter served on the defendants a set of interrogatories. And I direct your attention to Interrogatory 30, the Answer to which was prepared by you according to a note at the bottom of that Interrogatory. I note from the Interrogatory that prior to your association with the bank holding company you were with First National Bank of Denver in two capacities that are listed here: head of the correspondent bank department and also head of the commercial loan department.

I wonder if you would give us a little more of your background from the time you entered college and went out into the world.

A. First of all, I was never head of the correspondent bank department.

I went to Williams College in Williamstown, Massachusetts in 1941. In 1942 I went into the United States Army Air Force, from 1942 to 1945, at which time I joined the United States National Bank of Denver where I worked for four years, leaving there in 1949.

During the time I was with the United States National Bank I primarily worked in the loan department and the credit department. Then I went to work for the First National Bank of Denver as assistant cashier in the business development department for several years. Then I entered the correspondent bank department of the First National Bank in Denver in about 1951 or '52. I remained there until 1967, at which time I was assigned to the president of the bank on special duty to form the First National Bancorporation.

Upon completion of the application to form that holding company, I was assigned as the senior loan officer of the First National Bank of Denver, which position I held until September of 1969, when I was elected president of the Bancorporation and assumed that job on a full-time basis.

Q. Directing your attention again, Mr. Alexander, to the Answer to the Interrogatory that I referred to a moment ago, there is in this Answer the following statement that I will just direct your attention to: "Mr. Alexander is now president of the First National Bancorporation, Inc. and was active in the formation of the First National Banks of Northglenn, Bear Valley and Southglenn."

I would just like to ask you how did it come about that the First National Bank of Northglenn was organized?

A. The principal developer of the Northglenn Shopping Center was a good customer of the First National Bank of Denver and had been financed by that bank for some time. When he started making plans to build a shopping center, he had reserved space for a bank in that area. He asked our group whether we would be interested in either organizing the bank with him or on our own account for that particular area. We reviewed the situation and decided that it was a good business investment and organized the bank on an affiliate basis. This was strictly an investment, and stock in the new bank was offered share for share to the shareholders of the First National Bank of Denver with the exception, I think, that 20 per cent of the bank shares were reserved to the organizers or developers of the shopping center. And there was no profit or no other remuneration given to the organizers in any way.

Q. Well, I was going to ask you—perhaps you have already answered it—but if there is anything to add, I wish you would. You said that you organized this bank on an affiliate basis. Would you tell us what you mean by "affiliate" in the sense you have used it?

A. Well, primarily because the stock of the bank was owned—well, at this point, 80 per cent of the stock of the bank was owned, share for share, with the shares of the First National Bank of Denver. Therefore, the people who controlled 51 per cent or more—50 per cent or more of the First National Bank of Denver then also owned 51 per cent or more of the First National Bank of Northglenn. There-

fore, the two banks were affiliated and could then have cross-officers and directors legally.

Q. Now, I believe you said a moment ago that when you considered this matter of organizing the bank in Northglenn you came to the conclusion that it would be a good business investment. Was that the term you used?

A. Yes.

Q. What led you to that conclusion?

A. Well, the developers, Perl-Mack Construction Company and the Perl-Mack group were very successful home builders, shopping center builders. The Northglenn area was obviously going to be a good development area in metropolitan Denver. The projection, as I remember it, was that some 40,000 people eventually would be living in that area. It justified the organization of a bank and it just seemed like a good business investment.

Q. You mentioned a projection. Could you tell us what if any other factors you considered in determining the economic prospects of this area?

A. Well, primarily it was the projected growth in the home building in that part of northern metropolitan Denver, plus the fact that there would be a regional shopping center in which a bank could be located. And so it was primarily the two things together. And in addition to that, of course, the First National Bank of Denver, like other major banks in non-branch banking states, had seen an exodus of their, you know, deposit customers going out of the downtown location. It was difficult for us to follow those customers to the suburbs and wherever they went. And we obviously were interested in trying in some way to follow our customers as they began to move out of the downtown bank.

Q. Would you say that the Northglenn area was an economic growth area?

A. Well, it was pretty much of a bedroom community as such. There was not an awful lot of industrial business in the Northglenn area at the time we started the bank out there. And up to the present time there hasn't been too much business out there with the exception of the tremendous regional shopping center.

Q. Now, that was the first affiliate that you organized, is that correct?

A. Yes.

Q. Now, if I'm not mistaken, the next affiliate that you organized was the Bear Valley Bank?

A. Yes.

Q. And I wonder if you would tell us how it came about that the Bear Valley Bank was organized.

A. Well, that was a little bit different than Northglenn. I think that was organized in about 1963. At that time one of the very good customers of the First National Bank of Denver, the Mortgage Investment Company, who were the principal developers of the Bear Valley Shopping Center and the Bear Valley residential area wanted to do the same thing as the Perl-Mack group did in Northglenn, that is, organize their own bank, or in this particular case, organize a bank in Bear Valley. They wanted to organize their own bank and run it themselves. They asked for our help. We spent a lot of time working on the income and expense projections of the bank, the growth of the area, and so forth, and helped them write the application for the First National Bank of Bear Valley. One of the directors of the Mortgage Investment Company also was a director of the First National Bank of Denver, Mr. Axel Nielson. Mr. Nielson had felt all along that his group was not qualified to run the bank or organize one, and that it would have been much better for that bank to be a second affiliate of the First National Bank of Denver rather than an independent bank.

As the application was in the process of preparation and the bank in organization, and prior to the time the application was actually filed with the Controller of the Currency, the decision was made by the then organizers of the Bear Valley Bank that they in fact felt that Mr. Nielson was correct and it would be better for that bank to be affiliated with the First of Denver.

We then revised the application and changed the organizers and filed the application as a second affiliate of First of Denver.

Q. And was that an affiliate in the same sense that you described in Northglenn, over 51 per cent of the stock was owned by——

A. Yes. I have forgotten the exact percentage, but I think it was somewhere around two-thirds to three-quarters of the stock was then offered, share for share, with the then shareholders of the First National Bank of Denver.

MR. METZGER: May I say for the record that this 51 per cent share-for-share relationship is a statutory one, defining what is an affiliate, and not the witness' own.

A. Correct.

Q. (By Mr. Schoepke) All right. Now, did you conduct any investigations of the Bear Valley area at the time a decision to organize it as an affiliate was made?

A. We didn't do it ourselves, but we took the surveys and all the information which the Mortgage Investment Company group had themselves. In other words, they were the major developers of that shopping center and also the Bear Valley residential area. So they had many statistics which were sufficient to justify, in our own mind, that it again was a good business decision.

Q. Was it a growth area?

A. Yes.

Q. Mr. Alexander, I would then like to direct your attention to the organization of the First National Bank of Southglenn which took place shortly thereafter. And I wonder if you would tell us how it came about that the Bank of Southglenn was organized.

A. That was a companion operation of the First National Bank of Northglenn, inasmuch as the developers of the Southglenn Shopping Center and the Southglenn residential area were the same Perl-Mack group, with the exception that the Perl-Mack group was not doing the majority of the home building in Southglenn. When they began construction of the Southglenn Shopping Center, they again reserved a place for the bank and asked us if we would organize a de novo bank in the same manner as we did in Northglenn. We agreed to do that and gave them 20 per cent of the shares and then offered the remaining 80 per cent of the shares, approximately, to the then stockholders of the First National Bank of Denver on a share-for-share basis.

Q. Did you conduct any economic studies of the Southglenn area?

A. Again, we used the construction information from the surveys which the Perl-Mack people had used. I think in that particular case we did use a Denver research institute who made a partial survey for us that we used in our application.

Q. Did you reach the conclusion that the Southglenn area was a growth area?

A. The Southglenn area had the potential of becoming a good growth area. It was not the same degree of growth area in any manner or means as Northglenn or Bear Valley was, as is evidenced by the slow growth that Southglenn had taken over the last three or four years. But generally speaking Denver was growing north, south, east and west, and in due time there was no question that Southglenn would be a growth area, which is now the case.

Q. In conducting or considering the characteristics of the Northglenn, Bear Valley and Southglenn areas, did you at any time take into consideration the number of people in the area that might be needed to support a new bank?

A. Yes.

Q. I take it since you went through with the organization, you did it on the basis of your conclusion that there were enough people to support a new bank in that area?

A. Yes.

Q. Are these three subsidiaries now making money?

A. Yes. Northglenn is a good, profitable bank. Bear Valley is a good, profitable bank. Southglenn is doing reasonably well. It's not making as much money as the other two at the present time.

Q. Just for the record, Mr. Alexander, I direct your attention to your Answer to Interrogatory 1, which indicates that the First National Bank of Northglenn opened for business on November 14th, 1963; the First National Bank of Bear Valley opened for business on June 15th, 1964; and the First National Bank of Southglenn opened for business on November 30, 1964. Now, I would like to ask you now how did it come about that the First National Bancorporation of which you are president was organized?

A. (Consulting with counsel) Going back to some time in the 1950's—and I'm not sure what the dates are. If you want them I can get them for you—because of the exodus that I spoke of a short time ago of the personal accounts from the big downtown Denver banks into the suburbs and the inability of the banks like the First National Bank of Denver to follow their customers to the suburbs as the cities grew, management of the First of Denver had taken the position that branch banking could be a valuable asset to the growth of the State of Colorado and be in the best

interest of banking and people in the community. Management again of the First National made an effort to try to get the state law changed permitting either limited branch banking in the metropolitan areas or eventually preferably state-wide controlled branch banking.

In two particular instances the matter was referred to the Colorado Banker's Association convention. And in one case a study was made of branch banking. And in both cases the end result was that the law was not changed and the matter remained as it was in Colorado, a unit-banking state with no branching permitted.

Concurrently at that time, in 1958 and '59, in that area, Western Bancorporation bought three Colorado banks and Denver U. S. Bancorporation was formed and began acquiring banks throughout Colorado. And in 1967, because of this trend and because of our desire still to expand and to do a better job, both profit-wise and also banking-wise, and to follow our customers, we also made the decision then to form a registered bank holding company. That decision was made in May of 1967.

Q. Now, you mentioned that Denver U. S. was formed. Do you recall when it was that Denver U. S. Bancorporation was formed? You said 1958 or '59.

A. Somewhere between '58 and '62, '63, somewhere in there.

Q. Well, it is correct, is it not, that Denver U. S. was in existence, the holding company, at the time that you organized these three affiliates or some of them?

A. Yes, because they did in '63, and we started these two banks in '63, correct.

Q. Well, I'm wondering why you had any reason, with the existence of Western Bancorporation that you said moved in to the state in '58 or '59, and then with the existence of Denver U. S. Holding Company, to use the affiliate method of organizing Northglenn, Southglenn and Bear Valley Banks.

A. You mean rather than forming our own holding company?

Q. Yes.

A. (Consulting with counsel) A lot of that, I think, relates back to our original preference for branch banking, which was our first choice. The second area that we went into was this affiliate banking, which was an easier method

to do it by at that particular time under the reluctance of some of our management to have a bank-holding company. So it was a revolutionary situation where we were still hoping that eventually we could have a branch-banking system. And then after we had the three affiliate banks in operation, we came to the conclusion that it was an inefficient way to run three banks, and from a structure point of view, that the registered bank holding company was a much better vehicle.

Q. You mentioned just a moment ago—and if I haven't quoted you quite correctly, please straighten me out—that you felt that organizing these by the affiliate method was easier than by the holding-company method. Could you explain in what way you thought it was easier?

A. (Consulting with counsel) Well, if we owned them as an affiliate bank, it's easier to turn them into a branch rather than if we had a registered bank-holding company, for one thing. And secondly, again, the formation of a registered bank-holding company was expensive. And it was a major reorganization obviously of all the stock and stockholders. And it was just something that we took a long time coming to that conclusion.

Q. Well, would you tell me, from the banking point of view, why it would be easier to convert affiliates of a bank to branches than it would be to convert subsidiaries of the holding company branch?

Mr. Metzger: No one has said anything to justify the question.

Are you finished with the question?

Mr. Schoepke: Yes.

I might say for the record that I don't object to some coaching of the witness, but I think, Mr. Metzger, the right of cross-examination is open to you, and I think perhaps we ought to keep this down a little bit, more than we are. And I prefer to let the witness answer the questions. If you wish to clarify points, you have the right to do it later.

Mr. Metzger: Thank you for your advice, sir.

The Deponent: I think, really, simply what we went through was a revolutionary process. And the affiliate system then initially looked like it was an easy way to own three banks with our present stockholders, and if we had branch banking in the offing, we could just simply convert them into the First of Denver and let it go at that. The

formation of the registered bank-holding company, which is a—I've forgotten now—but I think the estimated cost of that formation was several hundred thousand dollars, created a whole new organization structure which was subject to different regulatory authorities and subject to the Securities and Exchange Commission and created a new level of management, and it was going in a direction different than what our preference was. It was contrary to our preference. So to a degree, we were reluctant to go that way.

Q. Now, at the time that you were advocating branch-bank legislation, did your bank have any plans, if branch-bank legislation was passed, did your bank have any plans or contemplate any movement outside of the Denver area?

A. We had no specific plans insofar as branching outside the Denver metropolitan area, but it certainly was our intention to do so, depending upon what the legislation might have been.

Q. Had you formulated any plans as to whether you would proceed by acquiring other banks or by organizing new branches?

A. We had not gotten that far.

Q. Mr. Alexander, I would like to direct your attention to Defendants' Answers to Plaintiff's Interrogatory No. 34. And I think just while we're off here, we might, in the interest of simplicity for correcting the record, straighten one thing out. I think it's fairly obvious that the Answer to Interrogatory 34—I wonder if you would just read the first five lines of this answer. Here's a copy of it, if you want it.

A. "The officers and directors of First National Bank of Denver were responsible for the de novo organization of the other three subsidiaries of Bancorporation—the equivalent is a non-branching state of suburban branches of the First National Bank of Denver. (See Answers to Interrogatory 30 for names and description of participants.)"

Mr. Schoepke: My suggestion is, on the third line, "the equivalent," I think should be "in," a typographical error. Can we, for the record, all agree that the third line would read, "the equivalent in a non-branching state of suburban branches," et cetera? Is that satisfactory with counsel to make that correction?

MR. METZGER: Yes.

Q. (By Mr. Schoepke) Now, Interrogatory 34 is concerned with, as you note, discussions among officers, directors or employees of Bancorporation with regard to the formation of a de novo bank to be controlled by Bancorporation.

Now, in the Answer to that, the second paragraph reads, "The acquisition and conversion of an industrial bank (in some ways a more difficult and expensive proposition than de novo charter) is being pursued in another community."

I wonder if you could tell us what organization community you have reference to.

A. (Consulting with counsel) Can I ask a question off the record?

MR. SCHOEPKE: Yes. Sure.

(Discussion off the record.)

MR. SCHOEPKE: Back on the record.

Referring to the second paragraph on the second page concerning an industrial bank to which the acquisition of which is, according to the wording of that paragraph, "under some consideration," would you identify the branch to which you had reference?

MR. METZGER: Off the record.

(Discussion off the record.)

MR. SCHOEPKE: Back on the record.

If I may lead the witness a little, Mr. Metzger.

Mr. Alexander, with reference to the second paragraph on the second page, is my understanding correct that the discussion concerning an industrial bank is very much at the moment in the preliminary stages?

A. Yes.

Q. Now, on that basis, Mr. Alexander, the Interrogatories are continuing in nature, and to the extent that this situation changes, you understand, and your counsel so advised you, that up to the time of trial, supplemental answers have to be provided. So that can we leave that particular paragraph on that basis?

MR. METZGER: As to the supplementing of any Answers to Interrogatories, we will of course comply with the Federal Rules of Civil Procedure on that.

THE DEPONENT: Yes.

Q. (By Mr. Schoepke) Now, referring also, Mr. Alexander, to Interrogatory No. 34, the second page, first paragraph, "With the recent decision of the Bancorporation to become a state-wide organization, the opportunities for further de novo 'branching' will be considerably broader."

Would you tell us what coverage you would consider necessary in order to constitute yourselves a state-wide organization?

A. I think we would like to have a bank in the major cities of the State of Colorado and in the northeast farming section of Colorado, the Arkansas Valley, portions of the western slope, especially those areas which are so highly devoted to the skiing and recreation areas and the mining areas. Generally those areas where the Bancorporation could serve the people in it and the industry of Colorado.

Q. Now, I gather from that first sentence of the first paragraph on the second page that you have not ruled out the possibility of de novo expansion in your overall plan.

A. No, we have not.

Q. In this respect, I notice in that same paragraph that reference is made to the fact—and I read—from the second sentence of that first paragraph on page two, "For example, attendant upon the acquisition of the First National Bank of Greeley, Bancorporation has obtained an option and is actively considering the establishment of a new suburban bank just outside Greeley."

I wonder, would you tell us something about that option, to whom it pertains?

A. The directors in an informal manner had an option to acquire one of two sites in the southern Greeley area which was adjacent to the large proposed shopping center.

May I ask Mr. Gilbert to mark it down, because—

Q. Well, we can ask him that. Do you know where that is located?

A. Yes.

Mr. Schoepke: Well, why don't we mark this as Deposition Exhibit No. 1.

(Alexander Deposition Exhibit No. 1 was marked for identification.)

Mr. Metzger: Can we be supplied a copy of that exhibit?

Mr. Schoepke: You bet.

Q. (By Mr. Schoepke) I have had marked for identification, Mr. Alexander, Deposition Exhibit No. 1 which is a map of Greeley, Colorado, published by the Shillings Map Company of Amarillo, Texas. It covers Greeley and the outlying section. It's distributed through the courtesy of the Greeley National Bank of Colorado and disseminated in other places by the Chamber of Commerce in Greeley, Colorado.

MR. METZGER: And having prominently located thereon one of the three banks with the Affiliated Bank Shares, the most substantial holding company in the State of Colorado in terms of bank subsidiaries.

MR. SCHOEPKE: Yes. And to add to the identification, on the upper right-hand corner of said map are located various other banks, including the First National Bank of Greeley, the bank sought to be acquired by Bancorporation.

Now, could you identify on this map, Mr. Alexander, where it is that the Banco—and for the purpose of simplicity, can we refer to your organization as Banco or would you prefer—

A. I prefer Bancorporation.

Q. Bancorporation?

A. I don't like Banco.

MR. METZGER: It sounds like we're playing an illegitimate form of Bingo.

Q. (By Mr. Schoepke) Could you locate where this option is to which you refer in Interrogatory Answer 34?

A. It is on the southeast corner of highway 34, the bypass, and 23rd Avenue.

Q. And from whom was this option obtained?

A. The option ran from the owner of the land to the Monroe Corporation and was assigned by Monroe Corporation to Bancorporation.

Q. Do you happen to know, are there any plans for development of this area?

A. A proposed shopping center east of the site marked there, which that site is a part of.

Q. Is this option in written form?

A. The option from the land owner to Monroe Corporation is in written form. The assignment to the Bancorporation has not yet been affected.

Q. Are you familiar with the Monroe Corporation?

A. Yes, sir. It's a wholly-owned subsidiary—or it's a wholly-owned corporation of Mr. Robert Gilbert, president of the First National Bank of Greeley.

MR. SCHOEPKE: Off the record.

(Discussion off the record.)

Q. (By Mr. Schoepke) Now, would you care to correct your answer?

A. The corporation and the stock is owned by Mr. Robert Gilbert and his wife.

MR. SCHOEPKE: I will tender Alexander Deposition Exhibit No. 1 in evidence.

I wonder if this would be a good time for a short break.

(Short recess)

Q. (By Mr. Schoepke) I have been meaning to ask you, Mr. Alexander, going back to this option, just what is the nature of the option.

A. The option generally provides that the Monroe Corporation can buy a certain tract of land adjacent to the shopping center, and that the Monroe Corporation would see to it that the bank was organized within a certain period of time. I think it's about within a year by—I think you have a copy of it—but within approximately a year a commercial bank would be started.

MR. SCHOEPKE: Off the record.

(Discussion off the record.)

Q. (By Mr. Schoepke) Well, the reason I'm asking you these questions, Mr. Alexander, is that the Interrogatory Answer states that arrangements have been made—this is the last portion of the first paragraph on page two—arrangements have been made for assignment of the option to First National Bank of Greeley should this acquisition be enjoined.

Now, just what is the status of this option? Does the First National Bancorporation have it, and if so, in what form?

A. The option provided that this was an informal agreement between the directors of the First National Bank of Greeley, as I understand it, with the Monroe Corporation, that should the directors decide to organize a bank and exercise the option, that they would do so. There is no

agreement, as I understand it, for the option to be exercised or for a bank to be organized. If we are successful in acquiring the First National Bank of Greeley, we felt it only proper that we take over that option which was in effect. And if we are not successful in acquiring the First National Bank of Greeley, we wanted to give back the option to the Monroe Corporation at their request.

Q. Well, now, what is the nature of this agreement between your organization and the Monroe Corporation?

A. At the moment the option has been sent to counsel for the Bancorporation with the request that assignment be drawn up transferring that option to us. We have a verbal agreement that we will reassign it to the Monroe Corporation if we are not successful in acquiring the First National Bank of Greeley.

Q. Now, directing your attention to Greeley, the First National Bank of Denver has, according to the application filed with the Federal Reserve Board, a loan production office in Greeley, is that correct?

A. Yes.

Q. I wonder if you would tell us what that loan production office does.

A. In the summer of 1968 the First National Bank of Denver acquired the mortgage-servicing rights of the Mortgage Investment Company. At that time the Mortgage Investment Company had a loan production office in Greeley which was, just as it implies, a small office, I think of two individuals and a girl who takes applications for real estate loans. And these applications now are sent to the First National Bank of Denver for review, approval, and then are returned to the loan production office. No loans are closed there. No money is disbursed there. It's strictly just an interview office.

Q. What kind of mortgages are handled in that office?

A. Generally mostly they're construction loans, long-term real estate loans generally made in that part of Greeley and Weld County.

Q. Does this office do any mortgage servicing in the sense of collecting payments?

A. No.

Q. It merely solicits business?

A. Yes, just a loan production office. It just solicits

business, and it has not been profitable. It has been our general intention to close it.

Q. And on whose behalf does it solicit?

A. First National Bank of Denver.

Q. And has that loan production office been in any way a part of the option, or the assignment of the option, of the Monroe Corporation that the Monroe Corporation has? Has that entered into the discussion at all?

A. None whatsoever. No connection.

Q. With the option?

A. No.

Q. would like to direct your attention, Mr. Alexander, to the negotiations preceding the Greeley agreement which led to the application to the Federal Reserve Board for First National Bancorporation to acquire the First National Bank of Greeley. In this respect, I will direct your attention to Interrogatory No. 32, your answer, paragraph B. The first sentence indicates that the initial discussions were instigated by Mr. Robert Gilbert, who called Mr. Eugene Adams, president of the First National Bank of Denver, to determine whether or not Bancorporation would have an interest in acquiring 80 per cent or more of the outstanding shares of the First National Bank of Greeley. And after discussions among the officers of Bancorporation, Mr. Adams called Mr. Gilbert, indicating that Bancorporation was interested in discussing the acquisition of the First National Bank of Greeley.

Now, I would like to ask you, were you in any way involved in the discussion among the officers of Bancorporation which is mentioned in this sentence of the answer that I just read.

A. Yes.

Q. And when did this matter first come to your attention?

A. Let's see. I guess it's February or March of 1969.

Q. Just to refresh your recollection, paragraph A indicates that all meetings were in March of 1969. How did this matter come to your attention?

A. Mr. Adams called me after he had talked to Mr. Gilbert and asked me what I thought of the phone call and whether I thought we should be interested in having further discussions with Mr. Gilbert.

Q. And did you have discussion with any other officers of the Bancorporation concerning the maps?

A. I think it was a matter of principal participants in the meeting where Mr. Adams and Mr. Dorsey, chairman of the board, and myself and Mr. Close, secretary of the Bancorporation.

Q. I notice from the Answer that after these discussions, you then returned a call to Mr. Gilbert.

At whose instructions did you make that call?

A. Actually at the consensus of the meeting of the officers of the Bancorporation.

Q. For what reason did the officers of the Bancorporation consider it desirable to continue discussions with Mr. Gilbert?

A. This was about the time we were in the process of discussing the expansion of the Bancorporation, how it should be done and on what basis. We generally felt that it seemed reasonable, initially, anyway, to try to acquire banks in the largest centers of Colorado and acquire banks that were more comparable to the First National Bank of Denver; in other words, commercial-type banks as opposed to retail-type banks. And this seemed to fit that pattern.

Q. Well, now, subsequent to that consensus of the officers who discussed the matter, you called Mr. Gilbert. And when you called Mr. Gilbert, could you tell us, to the best of your recollection, what you said to Mr. Gilbert and what Mr. Gilbert said to you?

A. I told him that I was pleased to have been told by Mr. Adams of his interest in discussing the acquisition of his bank by our Bancorporation; that we would like to set up a meeting and come to Greeley and discuss the matter with him further. As a result, we set a date, and Mr. Close and I then went and called on him.

Q. Now, when did the first meeting thereafter take place? A few days later?

A. I think all the meetings were held probably within a period of three weeks, so that the first meeting was shortly thereafter, three or four days.

Q. Well, at any of the meetings, did Mr. Gilbert indicate to you why he had approached you with regard to the possible acquisition of his bank by the First National Bancorporation?

A. Yes. He felt that it was in the best interest of his stockholders and shareholders, and in banking in Greeley,

that he join a holding company; that he felt that it would be difficult for him to take care of his community unless he was part of the Denver-based holding company; that there are many areas that he couldn't take care of in the convenience and needs of his own people without being part of a bigger organization; and that he had also had a relationship with the First National Bank of Denver. And I think it went back to 1880, something like that. And he wanted to discuss the matter with us.

Q. Did he indicate that his bank was in any financial difficulty?

A. No, he did not.

Q. Did he indicate whether or not he had given consideration in any way to affiliating with any other holding company beside the First National Bancorporation?

A. Yes. He told us that he had had preliminary discussion, I believe, with another Denver holding company.

Q. Did he tell you which one?

A. Colorado CNB Bankshares.

Q. Did he tell you why he had come to you?

A. Only that he wanted to make the best investigation that he could for the interest of his own shareholders and in Greeley itself.

Q. Now, when did First National Bancorporation and the First National Bank of Greeley reach a formal understanding concerning the acquisition by First National Bancorporation of the First National Bank in Greeley?

A. That was towards the end of March. I can pick out the exact date if you want it. But it was towards the end of March, 1969.

Q. Did you conduct any investigation of the Greeley area prior to that time?

A. No detailed investigation of the Greeley area, other than the fact that I personally had been very knowledgeable of Greeley for the last ten years because of my association with the correspondent bank with the First of Denver. I had spent much time in Greeley. I was knowledgeable with the banking situation there and of the Greeley situation, Weld County in particular, and the advent of Eastman-Kodak coming in the area, and just general knowledge.

Q. Well, in terms of the economy of the area, were you familiar with whether or not it was a growth area or

stagnant area, or what was your knowledge concerning the economy of the Greeley area?

A. Weld County is—my knowledge of the area of Weld County itself, which is one of the most productive agricultural areas in the state. It's one of the better counties, one of the larger cattle-feeding areas. Greeley is the county seat of Weld County. And generally the northern part of Colorado has been experiencing overall growth.

Q. Was that one of the factors that induced you to look favorably upon the acquisition of the First National Bank of Greeley?

A. Yes, plus the fact that we wanted to be represented in northern Colorado, and Greeley, as I mentioned before, in the larger cities with a bank that was comparable to the First of Denver.

MR. SCHOEPKE: Off the record.

(Discussion off the record.)

Q. (By Mr. Schoepke) Mr. Alexander, in connection with your express desire which you just noted, to be represented in Weld County, the northern part of Colorado, have you given consideration to acquiring any other banks in the Greeley area?

A. What do you mean by "the Greeley area"?

Q. For the purpose of my question, when I refer to the Greeley area, I refer to the City of Greeley and surrounding communities listed in the Complaint. Do you have a copy of the Complaint handy?

MR. METZGER: Yes, I do.

Q. (By Mr. Schoepke) For that purpose, that's in paragraph ten of the Complaint, where it defines the Greeley area as including Greeley and the towns of Evans, LaSalle, Peckham, Pierce, Gill, Eaton, Lucerne, Farmers and Bracewell?

A. No, we did not discuss or consider application for banks in those areas.

Q. Did any banks in those areas ever approach you with the possibility of joining your holding company?

A. No, no.

Q. Did any other financial institutions from that area ever approach you with regard to joining your holding company?

A. No.

Q. Were there any other banks in Weld County whose acquisition you considered?

A. Yes. We gave consideration to the First National Bank of Windsor.

Q. In this respect, Mr. Alexander, you have covered this in some degree in your Answer to Plaintiff's Interrogatory No. 33, on the second page, in which you discussed the First National Bank of Windsor, and you state that during the month of December, 1968, and January, 1969, Bruce D. Alexander initiated discussions with Mr. Ashley, president of the First National Bank of Windsor, and that all discussions were held at the home of Mr. Ashley in Windsor or in his offices in the bank at Windsor.

Now, I would especially direct your attention to the next sentence, "Mr. Alexander's initial visit with Mr. Ashley was preceded by a direct inquiry to Mr. Ashley from Royce B. Clark as vice-president of the First National Bank of Denver in the Correspondent Bank Department as to whether Mr. Ashley would be interested in holding discussions regarding acquisition of his bank by Bancorporation."

Could you tell us, Mr. Alexander, how it happened that an inquiry was made by Mr. Royce B. Clark?

A. I asked Royce Clark to make the inquiry on behalf of the Bancorporation.

Q. And was this something that you did on your own, or had you had discussions within Bancorporation with respect to the possibility of acquiring the Bank of Windsor?

A. Well, generally everything I did prior to the time I assumed my present position was done with the approval of the president of the holding company and the chairman of the board.

Q. But at the time of this initial inquiry, the subject had already been discussed within the holding company, is that correct?

A. Yes, sir.

Q. Now, for what reason was the holding company interested in the possibility of acquiring First National Bank of Windsor?

A. Primarily because of the entrance of the Eastman-Kodak Company into the Windsor area.

Q. And at the time you made this inquiry, other than the Eastman-Kodak matter, had you conducted any kind of an economic study of the Windsor area?

A. No, other than, again, my knowledge of Windsor and the area through my years in the Correspondent Bank Department.

Q. Now, prior to this contact with Mr. Ashley of Windsor, was the general economic nature of the area discussed among the officers of the Bancorporation?

A. Just in general. In other words, all of us were pretty cognizant and knowledgeable to the Weld County area.

Q. Were you all in general agreement that it was a growth area?

A. Overall.

Q. Well, then, after you established contact with Mr. Ashley through Mr. Clark, I gather from your Interrogatory Answer that you went to Windsor and carried on discussions with Mr. Ashley?

A. Yes.

Q. Could you tell us, to the best of your recollection, the substance of those discussion?

A. We discussed in general with Mr. Ashley the acquisition of controlling interest in his bank by the Bancorporation; generally the benefits that we could offer to the Windsor community as Eastman came in and began operations. We discussed what would be a fair price for his shareholders. We discussed how the bank would be operated, assuming that we did acquire it. It was just a general discussion of the overall holding company philosophy, prices and operation.

Q. Did you make him an exchange offer at that time?

A. We discussed that in detail, but we never were able to arrive at a satisfactory agreement.

Q. In the last paragraph of the portion of your Answer, Interrogatory 33, concerning the First National Bank of Windsor, it's indicated that discussions were finally terminated in January of 1969, when you called Mr. Ashley advising that you no longer had an interest in acquiring a controlling interest in his bank. Could you tell us how you lost interest?

A. Very simply, he wanted more than we were willing to pay.

Q. What kind of a bank was the First National Bank of Windsor.

A. Primarily an agricultural bank.

Q. What do you mean by "agricultural bank"?

A. Well, most of the deposits and loans were to farmers and cattle feeders as opposed to loans in commercial business.

Q. Would you call it a wholesale bank?

A. (Conferring with counsel) Yes, I think probably I would. But I guess for our own—if this comes up again, the difference between a commercial bank as opposed to a retail bank, in our terminology, anyway, is one where the retail bank is more oriented towards the consumer, automobile loans, finance-type consumer loans as opposed to a bank which takes care of the business needs of the area.

Q. Well, in terms of your usage of retail versus wholesale, would you say the Windsor Bank was a retail bank or wholesale?

A. I'd say it was more a wholesale bank or commercial bank, is our terminology, than retail.

Q. Now, I would like to direct your attention to the portion of your Answer to Interrogatory 33 concerning the National State Bank of Boulder. Judging from some things I have been seeing in the newspapers, there have been some developments since this particular answer was written. And I wondered if you would bring me up to date. The last meeting you had was back in October, 1970, at which meeting you informed Mr. Culver as to a price, which, if acceptable, you would recommend to the Board of Directors of the Bancorporation. Well, first off, let me ask you, why is Bancorporation interested in acquiring the National State Bank of Boulder?

A. It's the same philosophy as we recently alluded to, that it's a reasonable size bank in one of the largest cities in Colorado, and to a degree it's a commercial-type bank allied with the type, or similar to the First National Bank of Denver, following the organization pattern that I referred to.

Q. Are you familiar with the economic characteristics of the Boulder area?

A. Yes.

Q. Did those economic characteristics have any bearing on your interest in being represented in Boulder?

A. (Conferring with counsel) Our primary reason is—the bank gets the philosophy that we have referred to so far as getting into the larger cities initially in Colorado with banks that meet our general philosophy of management. Boulder is a good area.

Q. Is it a growth area?

A. It has shown some degrees of growth. But it's more of the philosophy than the growth area, because, as you know, we filed an application in Pueblo, which doesn't have the same degree of growth that Boulder or Greeley did.

Q. Now, I understand that in February of '69 you had discussions concerning the possibility of acquiring the National State Bank of Boulder, but another group called the Parsons group acquired it instead. And then you indicate on page three of your Answer to Interrogatory 33 that in early September, 1970, Mr. Vern D. Cornelsen, president of Colorado Investment Securities, Inc., called you——

A. Yes.

Q. —to discuss whether Bancorporation had any interest then in acquiring National State Bank of Boulder.

What is Colorado Investment Securities, Inc.?

A. I'm not completely familiar with that operation, other than the fact that Mr. Vern Cornelsen told me that he was instrumental in arranging—helping arrange the acquisition of the National State Bank by the Parsons group, and that he felt obligated to help them dispose of the bank after they got themselves into trouble with the regulatory authorities.

Q. Well, did Colorado Investment Securities, Inc. have any interest in Parsons?

A. Not to my knowledge. They acted only as an advisor, investment advisor.

Q. Did you know the general nature of Colorado Investment Securities, Inc., the type of business they're in?

A. Only from what they told me, that it was an investment advisor service. I had never seen a financial statement.

Q. Do you know where they're located?

A. Yes, in the First National Bank Building in Denver.

Q. Now, on the fourth page of your Answer to Interrogatory 33, Mr. Alexander, you indicate, about the eighth line

down, "Mr. Bruce Alexander indicated that Bancorporation already had a substantial loan outstanding to National State which it wished to protect, explained the time frame which might be required, discussed in general the possible position of the Board of Governors," et cetera.

Could you tell us about this loan that you then had outstanding with the National State Bank?

A. The loan was from the First National Bank of Denver to the Centennial Investment Company, which owns some 90 per cent of the stock in the National State Bank, and the loan was secured by those shares.

Q. Now, is there any relationship between the Centennial Investment Company and the Parsons group?

A. Yes. The Centennial Investment Company is one of the limited partnerships of the Parsons group.

Q. And is Centennial a Colorado corporation or other partnership?

A. I don't know. I've got their partnership agreement on my desk. So I can give you the names of the partners. I can't tell you specifically whether it is or isn't.

Q. Would you get us the answer to that?

A. I think it's probably a Michigan partnership.

Q. Well, then, continuing with your Answer to Interrogatory 33, you went on to explain the role of the Department of Justice in bank acquisitions. I think I won't ask you what you said.

Then the answer goes on, "Mr. Alexander asked for additional information regarding the bank concerning its management and the valuation of certain assets. The meeting was adjourned until October 7, 1970 at, which meeting Mr. Alexander informed Mr. Culver as to a price which, if acceptable to Mr. Culver, he would recommend it to the Board of Directors of Bancorporation."

Now, that's the end of the answer. I wonder if you would bring us up to date on what has happened with regard to the National State Bank of Boulder since that time.

A. Subsequent to that meeting, Mr. Culver advised me that the Centennial Investment Company people would accept the price which I would recommend to my Board of Directors. I subsequently reviewed the proposed acquisition with the executive committee of the Bancorporation, and then with a special meeting of the Board of Directors of the Bancorporation, and in each case the proposed ac-

quisition was approved. An announcement was then released to the papers. This was also followed by a meeting of the directors of the National State Bank, in which they unanimously approved support of the Boulder deal, culminating in a written contract for the Centennial group to sell and to be acquired subject to the regulatory authorities.

Q. And are you currently preparing an application for the Federal Reserve Board to make this acquisition?

A. Yes, sir.

Q. Have you discussed any time frames with the National State? Do you have any estimate as to the time in which you anticipate it will take between now and the time you file with the Federal Reserve Board?

A. Well, our philosophy at the moment is to do this acquisition as quickly as we possibly can, primarily because of the management problems of the bank, our analysis of the liquidity problems and the overall weakening condition of the National State Bank. And if we can acquire it, the sooner the better.

Q. Do you have any estimate as to when?

A. Well, my office is scheduled to file it before Christmas if we possibly can.

Q. Now, Mr. Alexander, I would like to direct your attention to the next acquisition which you described in your Answer to Interrogatory 33. That's on the fourth page of the Answer. It's the Colorado Springs National Bank. You start out with this statement, "Senior officials of the Bancorporation were indirectly given to understand that Colorado Springs National Bank, a long-time correspondent bank, was to be offered for sale and that bids would be accepted only from the Bancorporation and Denver U. S. National Bank."

I wonder if you would tell us what you mean by the statement that senior officials of the Bancorporation were indirectly given to understand.

A. The Colorado Springs National Bank was a long-time correspondent of the First National Bank of Denver and one of its better correspondents by virtue of size of deposits relationship. This bank, in our discussions among ourselves in the expansion of the holding company was comparable to what I referred to before, policy-wise. In other words, Colorado Springs is a good city and this was a reasonably sized bank, comparable to the First National Bank

of Denver. In other words, it was a meaningful bank in a meaningful city as a reasonable place to start our expansion program. When we discussed the possible acquisition of that bank with the officials of the Colorado Springs National Bank, they indicated an interest. And as we indicated in the response, Mr. Adams and myself did meet with the representatives of that bank. During one of those meetings the implication came out that the directors of the Colorado Springs National Bank wanted to sell it but they wanted to put it out to the highest bidder between ourselves and the Denver U. S. Initially we did not know that we were in a bidding situation.

Q. Well, did they ever indicate to you why they were interested in bids only from the First National Bancorporation and the Denver U. S. National Bank?

A. No, not really.

Q. Well, then, after a series of meetings, Bancorporation presented a written offer to Colorado Springs National Bank?

A. Correct.

Q. And this was rejected, is that correct?

A. Well, they accepted the offer of the Denver U. S. National Bank rather than ours.

Q. In your last paragraph discussing Colorado Springs, it says "Several days following this meeting in Colorado Springs, John Armstrong called Mr. Alexander in Denver advising that the bid of Bancorporation had been rejected and the bid of Denver U. S. Bancorporation, which is now the United Bancorporation, had been accepted."

A. Yes, the United Banks of Colorado.

Q. Did Mr. Armstrong tell you why your bid had been rejected and the United Bank's accepted?

A. The principal reason, he said, was that the payout, the dividend payout of the Denver U. S. Bancorporation was higher than the percentage payout of the First National Bank of Denver, and that although we had each offered approximately the same price per share, that there was a differential of some $100,000 which would accrue to shareholders of the Colorado Springs National Bank had they gone the direction of the Denver U. S. rather than they accepted our bid.

Q. Had they had any correspondent relationship with the Denver U. S. National Bank?

A. I believe they had a modest account with the Denver U. S. National Bank.

Q. But their main correspondent in Denver was the First National Bank of Denver?

A. Yes.

MR. METZGER: Off the record.

(Discussion off the record.)

Q. (By Mr. Schoepke) Now, Mr. Alexander, I would like to go on and discuss the next bank contained in your Answer to Interrogatory 33, the Valley State Bank of Lamar. And in the first sentence—well, the first sentence indicates that Bancorporation, through Mr. J. Rodney Uhrich, a vice-president of the First National Bank of Denver, in the Correspondent Bank Department, had indicated to Mr. Elmer Faser, president of the Valley State Bank of Lamar, during the latter half of 1969 that Bancorporation might be interested in acquiring a controlling interesting in the Valley State Bank.

Do you know how Mr. Uhrich happened to indicate that possible interest to Mr. Faser?

A. I asked him.

Q. You asked him?

A. Yes.

Q. For what reason were you interested in acquiring the Valley State Bank of Lamar?

A. Again, as I referred to previously, the overall interest in becoming a state-wide holding company, and that we would like eventually to acquire a bank in the Arkansas Valley. The Valley State Bank of Lamar was a modest bank in Lamar, which was one of the largest cities in the Arkansas Valley. It was a bank that had some problems, and being undercapitalized, needed help. It was one that we felt that if we acquired it, we could provide a real service to the community of Lamar and also the bank itself.

Q. Did you give consideration to acquiring any other bank besides the Valley State Bank of Lamar?

A. We have not, no.

Q. I mean in that county.

A. No, we have not.

Q. Now, what is the nature of the economy down in that area, Prowers County?

A. Again, it's primarily agricultural. There are a lot of wheat farms down there, cattle feeding. There are some ranches, some smaller ranches that grow cattle and feed sheep. Lamar is one of the better communities in the Arkansas Valley. It hasn't had too much growth. But it's one of the better representative communities in the valley. But it's primarily an agricultural community.

Q. Now, could you tell us, did Mr. Faser indicate to you any interest in becoming a subsidiary of First National Bancorporation?

A. Yes, Mr. Faser has interest in having us acquire the Valley State Bank of Lamar. He owns a third of the stock and has associates who own the balance.

Q. What is the present status of the matter? Where are we?

A. We have come to no conclusion or agreement at the present time.

Q. Have you made them any offer?

A. Not a written offer. I have again told them what price I will recommend to the Board of Directors, but they have not accepted it.

Q. When did you indicate to them what you would recommend to your Board of Directors?

A. Oh, I would guess last August.

Q. Have you had any contact at all with Mr. Faser since?

A. Not since late August, no.

Q. Have you talked to him on the telephone at all?

A. Several times, yes.

Q. Have you asked him about the status of your offer?

A. Yes. There seemed to be a difference of option insofar as the owners of the bank as to whether they want to sell the bank, and if they did, what price. And it's also complicated by some insoluble tax problems.

Q. Perhaps you better say "allegedly insoluable."

But as of this date, your offer has not been rejected?

A. No.

Q. And you have not withdrawn it?

A. Well, at the present time there's nothing outstanding. We would continue to have discussions with them. But we actually never agreed on any price or any method of payment or any operation or anything. So there is nothing concrete.

Q. Now, going on to the next bank of which you had some discussions concerning possible acquisition, the next-to-the-last page of your Answer to Interrogatory 33, the Routt County National Bank of Steamboat Springs. And I notice there that the initial contract apparently was made by the president of the Routt County National Bank. Well, no. I withdraw that. How did it come about that you had discussions with Mr. Scott, president of the Routt County National Bank of Steamboat Springs?

A. Well, historically, or for many years, anyway, the Routt County National Bank had maintained its principal depository account with the First National Bank of Denver, which bank had helped finance the acquisition of shares in that bank for Mr. Scott and some of his associates. And I think he ended up owning some 50 to 60 per cent of the stock in the bank. He had some estate problems of his own and could see the benefits of joining a registered bank holding company from a personal point of view and also from the point of view of what the holding company could do for Steamboat Springs. He had been approached by the president of a Denver bank holding company who discussed with him his interest in joining that holding company.

Q. Did he tell you which holding company?

A. Denver U. S. He was approached by Mr. Roger Knight. He felt that inasmuch as he also had his relationship with us, that before he made any decision as to whether or not he wanted to join a holding company in fact, or which one, that he wanted to talk with us and see whether we had any interest in acquiring his bank. So he came into my office the latter part or the first part of August for just a general discussion.

Q. Now, you indicated at the end of your answer that Bancorporation was in the process of collecting statistical facts in connection with the preparation of making an offer. Could you tell us what kind of statistical facts you are in the process of collecting?

A. Mr. Scott has given us detailed figures on his bank, his earnings and so forth. I had a second informal discussion with him about our acquisition of his bank. I have not made him an offer. He has not accepted one. He has not even decided whether he wants to sell his bank. And furthermore, he said that he felt that he would have a better opportunity in joining a holding company should he decide

to do so if he went with the Denver U. S. Bank because he doesn't think that First National Bancorporation can get anything.

MR. SCHOEPKE: Off the record.

(Discussion off the record.)

Q. (By Mr. Schoepke) Since you were in the Correspondent Banking Department of the First National Bank of Denver, I assume you are acquainted with Routt County?

A. Yes.

Q. Could you tell us the nature of the economy of Routt County?

A. Routt County, I think, for the most part is an agricultural area again. It's got a lot of cattle ranchers and sheep ranchers. It has some coal deposits. In fact, I guess it's got the biggest underlying coal deposit of any county in Colorado. But there isn't very much mining going on at the present time, except one or two small exceptions. And Steamboat Springs is beginning to develop slowly as a ski resort.

Q. Is that the main reason for its existence, skiing, or are there other industries there?

A. No. It's primarily agricultural and farming, and a lot of good fishing.

Q. Mr. Alexander, in some of the documents that were sent to us in response to our request for documents under Rule 34 of the Civil Rules of Procedure, in documents which are numbered pages 351 to 60—I don't have them, our copies here—mention is made of a Jefferson County affiliate. Do you recall the meaning of that? It's not in the Interrogatories.

A. Off the record?

MR. SCHOEPKE: Yes.

(Discussion off the record.)

Q. (By Mr. Schoepke) Now, in connection with your consideration of various acquisitions, your Interrogatory Answers did not contain any information on the preliminary discussions or negotiations concerning the banks for which you have filed formal applications with the Federal Reserve Board. And I wonder if we might go into that. Of course, we have gone through Greeley. May I direct your attention now to the bank at Sterling. What is the name of that bank?

A. Security State Bank.

Q. Yes. How did it come about that your corporation first became interested in the Security State Bank of Sterling?

A. We had an interest in becoming a state-wide holding company of that bank, and that bank had had a long relationship with the First National Bank of Denver. It was one in which we had a general interest. We discussed the generalities with Mr. Brown, the president of that bank, initially whether he would be interested in joining a holding company. And he said eventually he might. And normal discussions were held until such time as he had been offered a position as executive vice-president of the First National Bank of Denver, where he had formerly worked. That was in March '69 I think.

Q. That's Theodore Brown?

A. Yes.

Q. Why was he elected at that time to the——

A. No. Wait a minute.

Q. '68, wasn't it?

A. He had been on the Board of the First National Bank of Denver for five or ten years.

Q. When you say sometime in '69 he was elected——

A. He was offered the job in the spring of '69. And it was announced to the public in September of '69. He was offered the position of executive vice-president of the bank primarily because of the age of our chairman, Mr. Montgomery Dorsey, who is now 70, and Mr. Gene Adams, who is 58 and who was about to become, hopefully the president of the American Bankers Association, which is a two-year stint, plus the advent of the holding company and the necessity for additional senior management. When it was announced that he was going to become executive vice-president of the First National Bank of Denver in September of 1969, effective January 1, 1970, he wanted to formalize the acquisition arrangements, all of which led to my visit with him about a year ago, when we worked out a mutually acceptable exchange ratio.

Q. Well, why were you interested in acquiring the Bank of Sterling?

A. Sterling is one of the better communities in northeastern Colorado. And his bank again fitted the pattern that we were trying to follow of being a reasonable bank

in a reasonable community and more allied to our type of operation.

Q. Did you give consideration to acquiring any other banks in Sterling?

A. No.

Q. And whatever county it's in or section of Colorado?

A. No. It's in the application that we have had a very, very strong relationship with that bank for 40 or 50 years. One of the officers of the First of Denver was on that Board back in the late '20's. Mr. Brown's age is 48.

Q. Now, can we turn for a moment to your pending application for Colorado Springs We have already discussed your discussions concerning the possibility of acquiring the Colorado Springs National Bank. How did it come about that you became interested in acquiring the Exchange National Bank of Colorado Springs?

A. This came about after our offer to acquire the Colorado Springs National Bank was rejected. We still wanted to have a reasonable bank in Colorado Springs. The Exchange National Bank fitted our pattern again. I went down and had an informal discussion with Mr. Fred Farrar, who is presently chairman of the board of the Exchange National Bank, and indicated to him our interest.

Q. Had Mr. Farrar been associated with any of the First National Bancorporation's subsidiaries prior to that time?

A. Not with the Bancorporation's subsidiaries.

Q. How about with Bancorporation itself?

A. He is presently a director of the Bancorporation and a member of its executive committee.

Q. When did Mr. Farrar first become a director of First National Bancorporation?

A. Off the record for just a moment.

(Discussion off the record.)

MR. SCHOEPKE: Back on the record.

Q. Mr. Alexander, according to your Answer to Interrogatory No. 49, one of the directors of the First National Bancorporation is Frederick M. Farrar. Now, to save a little time so you don't have to look it up, Interrogatory Answer 12 indicates that Mr. Mahlon White has been a director of the First National Bank of Denver since 1968.

A. Yes.

Q. Now, Mr. Alexander, there is on the Board of Directors of the First National Bank of Denver a Mr. Mahlon T. White, is that correct?

A. Yes.

Q. And you know Mr. White?

A. Yes.

Q. And according to your Answer to Interrogatory No. 12, he was elected to the Board of the First National Bank of Denver in October, 1968, is that correct?

A. Yes.

Q. Now, with respect to your Answer to Interrogatory No. 49, you indicated that Mr. Mahlon T. White owned 61 per cent of the stock of the First National Bank of Durango.

A. Correct.

Q. I would like to ask whether there has ever been any discussion by Bancorporation with Mr. White concerning the possibility of Bancorporation's acquiring the First National Bank of Durango, of which he owns 61 per cent.

A. No specific discussions in that regard, inasmuch as Mr. White is present, anyway, and he made it clear that he's not interested in selling any of his banks.

Q. Well, did anyone ask him whether he would be interested is disposing of the First National Bank?

A. No.

Q. Did you ask him individually at any time?

A. No.

Q. And you know of no officers of Bancorporation that might have discussed this question with him?

A. Well, I know of nobody that has done it directly.

Q. Now, according to the Answer to Interrogatory No. 49, Mr. Mahlon White also owns 77 per cent of the stock of the Fidelity Bank and Trust Company in Monte Vista.

A. Yes.

Q. Has there even been any discussion between Mr. White and officers or employees of the Bancorporation concerning the possibility of Bancorporation's acquiring Fidelity Bank and Trust Company of Monte Vista?

A. None from the management of the Bancorporation. Whether any employee did, I don't know. But we have no interest in that bank.

Q. Incidentally, where is Monte Vista?

A. About ten or twelve miles north of Alamosa, down in the San Luis Valley. I can show it to you on the map.

Q. Along that same line of questioning, we note from Interrogatory Answer No. 49 that Mr. Mahlon's wife owns 18 per cent of the Minnequa Bank of Pueblo.

A. Yes.

Q. Has there been any discussion by Bancorporation or its officers and management with Mr. White concerning the possibility of acquiring the Minnequa Bank in Pueblo?

A. None that I know of.

Q. Now, a few moments ago you indicated that Mr. White had indicated that he was not interested in disposing of any of his banks; there were no discussions with him. I wonder on what basis your knowledge to that effect is.

A. I think the best way to answer that is that maybe because of his ownership of these banks, for background information, his father owned those banks, and when he died he left most of the stock to his mother and to Mahlon's wife. And I think generally people have assumed that these would be the first banks which we would want to acquire. And as an answer to general statements, "When are you going to acquire those banks?" Mahlon indicated to whomever he was talking, and the word was released that he was not interested in selling those banks. That was the general answer. But I think it's indicative of the situation.

Q. But do you know to whom he made these statements? Did he make them to you?

A. No. Sort of a general discussion and the sort of impression that he let out. But we have never had any definite discussions about this matter.

Q. Now, getting back to Interrogatory No. 49, I see that he is also a director of the First National Bancorporation.

A. Not Mahlon White.

Q. William M. White, Jr., and that he is also a director of the First National Bank of Denver. Is there any relationship between Mahlon White and William White?

A. Brothers.

MR. METZGER: None other than that.

Q. (By Mr. Schoepke) Well, in connection with Mr. William White's stockholdings in other banks, I notice that he, according to Interrogatory Answer No. 49, owns some of the stock of the Bank of Aspen in Aspen, Colorado. And I wondered if there had ever been any discussion with

Mr. William White as to the possibility of the acquisition by First National Bancorporation of the Bank of Aspen.

A. Only in a limited manner. I asked Bill at one point whether he would be interested in letting us acquire the Bank of Aspen. He said that he would, or that we would have to discuss the matter with his brother Mahlon who spoke for the bank and not him.

Q. And Mahlon White, according to Interrogatory Answer 49, also has about 3.68 per cent of the Bank of Aspen. Well, I take it, judging from your previous answers, that you did not discuss the Bank of Aspen with Mahlon White?

A. Right.

Q. Now, going back to William White, also I notice that he has about 7.6 per cent of the shares of the First National Bank in Alamosa, Colorado. And I would ask you similarly, have you yourself ever, or on behalf of Bancorporation, had any discussion with William White concerning the possibility of acquisition of the First National Bank of Alamosa?

A. None whatsoever.

Q. Do you know of any other officer of the Bancorporation who has had any discussion?

A. I feel certain nobody has.

Q. On what do you base your certainty?

A. Just that it's never been discussed amongst us at all.

Q. Now, in the same vein, Mr. Alexander, there is listed in Answer to Interrogatory No. 49 a Mr. George R. Bauder, Jr., who is a loan officer of the First National Bank of Denver. And he owns 6.08 per cent of the shares of Metropolitan State Bank in Commerce City, Colorado. Has there ever been any discussion by Bancorporation with Mr. Bauder conerning the possible acquisition of the Metropolitan State Bank of Commerce City, Colorado?

A. No.

Q. Has there ever been any discussion of Bancorporation with anyone else concerning the possible acquisition of that Bank?

A. No.

Mr. Schoepke: May we break now? I don't think we'll take too much longer after lunch.

(Noon recess)

* * *

Afternoon Session
November 18, 1970
1:45 p.m.

BRUCE D. ALEXANDER,

the deponent herein, testified further as follows:

CROSS-EXAMINATION (Cont'd.)

BY MR. SCHOEPKE:

Q. Mr. Alexander, you understand, of course, that you are still under oath.

During the morning session, Mr. Alexander, we asked you two questions about Mr. Frederick M. Farrar about the time that he was a director of the First National Bancorporation, and you indicated that you would check that up during the recess. Have you done so?

A. Yes.

Q. Perhaps it would be easier if you would just read the information that you have assembled into the record.

A. Mr. Farrar was elected to the Board of Directors of First National Bancorporation on October 29th, 1968. He resigned from the Board of Directors on January 13, 1969. He was elected a director and made a member of the executive committee on September 17, 1969.

Q. Now, Mr. Alexander, I note from your answer, the defendants' answers to Interrogatory No. 12 that a Mr. Donovan M. Whiteman was vice-president of Colorado National Bank; w a director of the First National Bank at Northglenn from 1966 to September, 1968.

A. Correct.

Q. Do you know for what reason he was elected a director?

A. He was president of the bank, the First National of Northglenn. Let me tell you that Mr. Whiteman worked with the Denver United States National Bank, and then when we needed a president, executive officer of the Northglenn Bank, we hired him from the Denver U. S. He went out to Northglenn as executive vice-president for a while and then was made president. And then during the course of the time he was executive vice-president. And he was presently a director of the First National Bank of Northglenn. He then resigned from Northglenn about a year

ago, whenever it was, because of his wife's health. He moved to Florida, and then he came back. And upon his return he went to work for the Colorado National Bank.

Q. He was not connected with the Colorado National Bank at the time he was connected with the First National Bank of Northglenn?

A. No.

Q. I would like to direct your attention to defendants' answer to Interrogatory No. 15 which is concerned with stockholders of First National Bancorporation owning three per cent or more of the stock. In this regard, I notice that among the shareholders listed in that answer is an organization known as the A. V. Hunter Trust, Incorporated owning 165,000 shares, which is approximately 11 per cent of the shares of Bancorporation.

Could you tell us what is the A. V. Hunter Trust?

A. It is a charitable non-profit organization organized in perpetuity against the assets, which is the shares of the First National Bancorporation. It was organized, I believe, through the will of Mr. A. V. Hunter, who, from 1911 to 1913 or 1914, in that particular area, was chairman of the board of the First National Bank of Denver, and one of its major stockholders.

Q. Now, who administers that trust?

A. The chairman of that trust is Mr. Montgomery Dorsey.

Q. And is there any connection between the administration of that trust and the trust department of the First National Bank of Denver?

A. It's my understanding that the trust department holds in a safe-keeping account the assets, or some of the assets, of the Hunter Trust, but only in a safe-keeping capacity. They exercise no control over it.

Q. They exercise no management?

A. Well, it's technically called an agency account. In other words, it's just a safe-keeping account. They have no control whatsoever over it.

Q. Well, when you say an agency account, is it a discretion agency account? Is that what you mean?

A. It holds the certificates in safe keeping.

Q. There is no personnel in the trust department that does things with regard to the trust, other than from instruction by Mr. Dorsey or his appropriate agents?

A. That's right. The trust exercises complete control over the assets or distribution of any funds.

Q. Do you happen to know who the trustees of the trust are besides Mr. Dorsey?

A. I know some of them. I can't give you a full list. So if you want it, I'll give it to you. There are four or five. There's Bill Coors. Do you want me to get it for you? Would that be better?

Q. Well, we won't have to interrupt anything now, but if you could get it, that would be fine.

A. Okay. I'll get it for you.

Q. Maybe we can bring it into one of the later depositions.

A. Gene Adams is one.

Q. Well, when we talk to him we can get to it.

In this regard I notice that from Interrogatory Answer 50 the A. V. Hunter Trust also has 16 per cent of the Southern Denver National Bank in Glendale.

A. It's the South Denver National Bank.

Q. In Glendale?

A. Yes.

Q. Has there ever been any discussion to your knowledge with regard to the possibility of the acquisition of the South Denver National Bank by First National Bancorporation of Denver?

A. That's a good question. We've given consideration to it, but no formal discussion was ever made, because we don't believe that the Federal Reserve Board would approve.

MR. METZGER: Off the record.

(Discussion off the record.)

Q. (By Mr. Schoepke) I also note that the A. V. Hunter Trust had 6.7 per cent of the stock of the Guaranty Bank of Denver. Need I ask the same question?

A. No, you don't need to.

Q. There has been no discussion at all of the possibility of acquiring it?

A. I'll tell you the whole story on all of them if you want to, but absolutely no discussion.

MR. LIPKOWITZ: Because of their position with the Bancorporation, or did they get this trusteeship in some other way?

A. I can also get that answer for you. I think Mr. Dorsey fits on there, because of his position as the chairman of the First National Bank of Denver. But I don't know. I'm not conversant with the terms of that trust.

Q. (By Mr. Schoepke) You mean the First National Bank of Denver is designated as one of the trustees of the trust?

A. Oh, no. The chairman of it.

Q. In his official capacity or in his individual capacity as Montgomery Dorsey?

A. In other words, the chairman of the First of Denver is invited to be a trustee, but I do not know for sure.

MR. SCHOEPKE: Could we ask that a copy of the trust instrument be made available?

MR. METZGER: No. I have no objection to letting you have it, but it's not our trust instrument. So could you ask the trust for it? I don't think you'll have any trouble getting it. But I would rather you address your inquiry to them rather than have the bank do it. You're not going to have any difficulty getting it.

Q. (By Mr. Schoepke) Well, then, in this same vein, Mr. Alexander, the A. V. Hunter Trust, according to Interrogatory Answer 50, has about 12 percent of the First National Bank in Grand Junction. Has there even been any discussion with any of the trustees of the Hunter Trust with respect to the possibility of acquiring as a subsidiary of First National Bancorporation the First National Bank of Grand Junction?

A. No.

Q. Now, in the same Interrogatory Answer No. 50 there is an organization called Southern Colorado Banking Company which has 7.73 per cent of the outstanding shares of Bancorporation stock. Do you know what the Southern Colorado Banking Company is?

A. Off the record.

(Discussion off the record.)

A. Well, Southern Colorado Banking Company, as far as I know, is a partnership of which Frederick M. Farrar is a general partner. I have never seen a copy of the trust instrument or the partnership agreement.

Q. Do you happen to know of any other banks in which Southern Colorado Banking Company has an interest?

A. My understanding is that they own a controlling interest in the First National Bank of Pueblo and the Exchange National Bank of Colorado Springs.

Q. Now, on the list of major stockholders, I see that there is a Mary Alice Thatcher Jones owning 7.68 per cent of the Bancorporation stock. You mentioned that name earlier this morning, the Thatchers. To your knowledge, is this Mary Alice Thatcher Jones a part of this Thatcher family?

A. She is a niece of Raymond Thatcher, who was related to Mahlon Thatcher. And when Raymond Thatcher died, he left her 40,000 shares of the First National Bank of Denver.

Q. And you say she was married to Mahlon Thatcher?

A. No. She was a niece of Raymond Thatcher, and Raymond Thatcher was related to Mahlon Thatcher, who was the father of Fred Farrar's wife.

Q. The first name, Mahlon, does that connect Thatcher with White or is that a coincidence?

A. Well, Mahlon White is the grandson of Mahlon Thatcher.

Q. The next largest shareholder is a person by the name of Janet Estelle Shaw LaComp, who owns 6.17 per cent of the Bancorporation. To your knowledge, is she related in any way to Mary Alice Thatcher, the Whites or the Mahlon group?

A. No. She has a relationship—I've forgotten what it is—with the A. V. Hunters. There is no relationship at all to any of the Thatchers.

Q. Do you know what her relationship was to Mr. A. V. Hunter?

A. No, I don't. I think she was a niece of Mrs. Hunter, but I'm not sure.

MR. LIPKOWITZ: Isn't she related to Oliver LaComp who is a director of the First National Bancorporation?

A. Yes. Aly LaComp is her husband.

MR. METZGER: Off the record.

(Discussion off the record.)

Q. (By Mr. Schoepke) Among the major stockholders of Bancorporation is an organization called Dake and Company, which has 5.91 per cent of the shares of Bancorporation stock. What is Dake and Company?

A. It's a nominee of the trust department of the First National Bank of Denver.

Q. And then the next largest shareholder I have is an organization known as Skelton and Company, which has about 4.3 per cent of the shares of Bancorporation. Do you know who Skelton and Company is?

A. It's a nominee of a bank, I think, in New York City. But it is a nominee of a major bank. I'll find out which one it is if you want it.

Q. All right. If you would, I would appreciate it. Going back to Dake and Company, just for the record, would you explain in what way and for what purpose Dake and Company is used as a nominee by the trust department of the First National Bank of Denver, if you know?

A. It's just a mechanical means of holding title to shares which are in various trusts. For the most part, all securities owned or held in the trust department of the First National Bank are issued in the name of Dake and Company. It makes it a lot easier for them to handle securities and sell them and trade them and so forth. Some of the shares in Dake and Company are of course held in various types of trusts; some just an agency account, and some in safe keeping.

Q. Does Dake and Company exercise voting rights of the shares of Bancorporation that it holds as a nominee?

A. In some cases, yes, and in others, no. You would have to have a complete breakdown of all the shares in the trust. And I think that you can find the answer to that in any one of our applications to the Federal Reserve Board.

Q. Mr. Alexander, I have just a short question here on Interrogatory No. 15, and that's the one that led to this mysterious request to take the deposition of Mr. Robert Reed. If you know the answer, it's possible we don't have to bother calling him. I put his name down because he has assembled the details, and you requested that the answer to Interrogatory No. 15 be held confidential. I have no reason not to go along with that request. So in that regard I will just point out to you on the second page of that Interrogatory Answer, which is a list of your large borrowers. And the third one down under the third column, "Type of loan," is "Government Security." And I wonder if you would happen to know what that is on that kind of a loan.

A. Yes. It's a loan which the First National Bank made

to a Denver bank, secured by government securities owned by the bank. The purpose of the borrowing is for the bank to meet its required reserves. The bank in question is not a member of the Federal Reserve system, and therefore, it must borrow what funds it needs from its major correspondent, which in this case is the First National Bank of Denver. It's a very normal transaction.

Q. And it pledges government securities in its possession as security for the loan?

A. Yes.

MR. SCHWARZ: Does that take care of Robert Reed?

MR. SCHOEPKE: Yes.

Q. Mr. Alexander, I suppose this really goes to the operations of the First National Bank of Denver, but I'll ask you as long as you're here. Perhaps you know the answer. Among the documents produced pursuant to our Rule 34 motion was one entitled "Colorado Economic Forum Outlook, 1969, sponsored by First National Bank, Denver."

And I believe we had some others. Apparently the First National Bank of Denver has this symposium usually in December of the year?

A. Correct.

Q. And various people around the state and various industries speak at that symposium?

A. Yes.

Q. Are you familiar with those?

A. Yes. It's an annual affair.

Q. The latest one we got was the outlook for 1969, addressed by, among others, Mr. Kenneth Monfort. That was the outlook for 1969. Was there any such meeting held in December, '69? Did you hold a forum at that time?

A. Yes.

Q. Was that published as the outlook for 1970?

A. Yes. Well, the speeches which were made in the forum of 1969 were included.

MR. SCHOEPKE: Off the record.

(Discussion off the record.)

MR. SCHOEPKE: Let the record show that we have asked Mr. Alexander if he would obtain for us a copy of the Colorado Economic Forum held by the First National Bank

of Denver in December of 1969, which would constitute the "Outlook for 1970."

Q. Mr. Alexander, this again refers perhaps to the workings of the First National Bank of Denver, but it covers a time when you were still with the bank, I believe. So if you can't answer them, fine. Then we will just hold them.

Interrogatory No. 24 is a list of each commercial bank with which any First National Bancorporation subsidiary maintained a relationship as correspondent bank customer. And there are a list of various banks, and included in that list is the American National Bank of Denver. The First National Bank of Denver had a $25,000 correspondent account with the American National Bank in Denver in 1967 and '68, but that account was closed in 1969 and 1970.

Do you happen to know anything about why that account was there?

A. Yes, sir.

Q. I wonder if you would tell us the nature of that particular relationship.

A. During the period we had the account, the American National Bank and the First National Bank, was the period when the First could not get sufficient coin to meet its needs. And I believe the American National Bank had the account of the city, which had parking meters, or a comparable account. And they had a lot of change. So they told us if we would open an account they would meet some of our change requirements. And that was our means of compensating them.

Q. That may answer my next question. The second part of that Interrogatory asks for each service which was rendered for that correspondent bank balance that was kept in the bank, and for the American National Bank there is nothing given either in terms of operational activity or intangible or loan purchases.

A. It was just for that one purpose.

Q. Of meeting the coin requirements?

A. Yes.

Q. Now, in that same Interrogatory Answer, Mr. Alexander, the First National Bank of Denver had a correspondent balance in the First National Bank of Colorado Springs. And I notice that the balance in 1967 was $50,000; in 1968 it was $50,000; and in 1969 it was $50,000, and then in 1970 it dropped to $25,000. Are you familiar with the

reason for that change on the balance that you kept, or that First National Bank of Denver kept in the Colorado Springs Bank?

A. Yes. The account was primarily to compensate for that bank for the cash letter that we sent to them. And in 1970 we organized a cash management division which ended up in reducing the balances of many of our correspondents. In other words, the $50,000 was too much money. We didn't need that much money. $25,000 covered the activity.

Q. Now, the purpose listed for the correspondent bank balance is intangibles, which is defined in your answer as business referrals, account assistance, trust and investment counseling, reciprocal accounts, and so forth.

A. And I think that's essentially right. At one point we did send them a cash letter.

Q. Would you explain to us what a cash letter is in banking parlance?

A. Those are just the checks which the First National Bank of Denver gets every day drawn on, in this case, the First National Bank of Colorado Springs. We just send those checks to them for collection.

Q. And the thing you send along with the checks is called a cash letter?

A. Yes.

Q. And then that is credited to your account in the Colorado Springs National Bank?

A. Well, it's credited to their account with us. Now, we may not be sending them cash letters any more to the First of Colorado Springs.

Q. Well, this particular Interrogatory refers to your account with them down there.

A. Yes.

Q. Do you know if that account is still in existence?

A. Yes, it is.

Q. Is it also because of the cash letter or——

A. We may not be sending them a cash letter any more. I don't know. But they have done just what the answer says, referred some business to us, and there are some intangible benefits.

MR. METZGER: Off the record.

(Discussion off the record.)

Q. (By Mr. Schoepke) Now, I would like to direct your

attention, if I may, to the application that was filed with the Federal Reserve Board with respect to the proposed Greeley acquisition by Bancorporation. And on pages 28 and 29 you discuss at some length your intention to organize an agricultural credit corporation as a wholly-owned subsidiary. I wonder if you would tell us about that.

A. At the time of our application, the First National Bank of Greeley had about 40 per cent of its loans in agricultural loans, and the bank was somewhat in excess of 70 per cent invested in loans. It seemed as—or our analysis indicated that one of the benefits that we could provide that bank with would be a vehicle which would enable us to take care of the need in that area for agricultural loans and thereby make more funds available to the bank for various real estate loans, commercial loans. So we gave consideration and said that if that application was approved, that we would form an agricultural affiliate. And if we capitalized it, for example, at a million dollars, we could rediscount seven times that amount with the Federal Intermediate Credit Bank, thereby making $8 million available for agricultural loans.

Q. Well, now, is the organization of that agricultural credit corporation uniquely tied to the acquisition of the Greeley Bank?

A. Well, the application said that if the application was approved and we acquired the bank, we would do it. Now, we might do it anyway. But at the present time we would not do it.

Q. Now, was it your intention to use this agricultural credit corporation exclusively for discounting the agricultural loans of the First National Bank at Greeley?

A. Initially.

Q. Or would you exclude your correspondent from taking advantage of those discount facilities offered by the credit corporation?

A. Well, we have never offered the—I think the answer would probably be that—excuse me. I'll back up a little bit.

The $8 million available would be to the best interest of that bank to try to accomplish what we were going to do for that bank. And it's not—I don't think we would do it exclusively, just for the First of Greeley. We would do it in our best interest, but it would be essentially for it.

Q. Has that corporation been organized?

A. No.

MR. LIPKOWITZ: Are there any such corporations existing in Weld County now?

A. Not to my knowledge.

MR. SCHOEPKE: Off the record.

(Discussion off the record.)

Q. (By Mr. Schoepke) Let's go back to the organization of your First National Bank at Northglenn that you organized as an affiliate. The stock for that, as I understand it, was subscribed to by stockholders of the First National Bank of Denver?

A. Yes.

Q. Did the First National Bank of Denver advance any loans to any of those stockholders on the security of the stock they were subscribing to in the First National Bank of Northglenn?

A. We may have made, or the First National may have made some loans to some stockholders of the First of Denver, but just on terms as they would any other loan. There was no formal program of financing acquisition of the Northglenn stock. It did make some loans to the developers of the shopping center, but those people were not stockholders of the First of Denver.

Q. And how about Bear Valley Bank?

A. It's the same in all three of the banks. There was no formal program of financing shares in those three small banks to the shareholders of the First of Denver.

Q. Would you say, to the best of your knowledge now, that the subscribers put up cash themselves?

A. I would think for the most part, yes.

MR. SCHOEPKE: Mr. Metzger, while you were whispering answers into the witness' ear, did you miss anything that you would like to bring out now?

MR. METZGER: No. Let me make one thing clear. I never suggested an answer. I asked a question. Mr. Alexander doesn't need any help on answers.

Let's take a five-minute break.

(Recess)

MR. METZGER: Back on the record.

EXAMINATION

By MR. METZGER:

Q. In your discussion on direct examination of the question of the development of the Northglenn, Bear Valley and Southglenn areas, the question was asked you whether or not these were growth areas. What did you understand that question to mean?

A. That they were areas outside, for the most part, the City and County of Denver and were just developing in the normal course of business.

Q. Was there any population to speak of before they had started developing?

A. No.

Q. These are suburban areas which are just developing?

A. Correct.

Q. There was a question as to what sections of the State of Colorado the Bancorporation would, as a matter of policy, like to locate in. Would you please restate your position on that question?

A. Now, the Bancorporation would like to be represented throughout the State of Colorado, in all areas, initially in the metropolitan areas, the population centers.

Q. Why would you like to be there initially?

A. More potential for profits and service. And we would like to get out into the agricultural areas, the western slope, the mining areas, the recreational areas for all parts of the state.

Q. On your loan production office in Greeley, are these loans taken up to be sold ultimately to the First National Bank of Denver?

A. No. They're primarily taken up for resale.

Q. To whom?

A. Some 50 investors which the First of Denver services at the present time.

Q. Where are these investors located?

A. Mostly on the east coast.

Q. It was suggested in your application that the loan production office in Greeley was unprofitable and that you were considering closing that office. In the event that this application for acquisition of the First National Bank of Greeley is denied, what is your intention, your present

intention, with regard to that loan production office in Greeley?

A. We will recommend that it be closed.

Q. Do you consider Lamar to be a growth area, sir?

A. No. It's a stable area but not truly a growth area.

Q. Do you consider Pueblo to be a growth area?

A. No.

Q. On your negotiations in Colorado Springs, could you tell us what you were intending to do when you started negotiations with Mr. Farrar?

A. The original intention when I went down to meet with Fred Farrar was to work out an exchange ratio with him for the acquisition of the Colorado Commercial Bank in Colorado Springs.

Q. And how did the subject get on to other than Colorado Commercial?

A. He asked me whether, rather than the Colorado Commercial Bank, would we prefer to have the Exchange National Bank, to which I replied that we probably would. It is a better bank. It was more profitable than the First National Bank of Denver and met more generally the——

Q. Did you mean than the Colorado Commercial Bank?

A. Yes. In other words, it was more in line with what we were trying to accomplish. So as a result of his inquiry as to whether we would be interested, we pursued it further, and negotiations resulted that we would attempt to acquire both First National Bank and the Exchange National Bank of Colorado Springs and Pueblo. And he indicated that for his own personal reasons, estate problems, management problems and similar problems that he would like to sell both of them. They had retained the Colorado Commercial Bank.

Q. Was the acquisition of the First National Bank of Pueblo Mr. Farrar's idea or yours?

A. Mr. Farrar's idea.

Q. Were you advised that the First National Bank of Pueblo was a condition for the acquisition of the Exchange Bank?

A. Yes.

MR. SCHOEPKE: That's a little moot, isn't it?

Q. (By Mr. Metzger) The entry of the White brothers and Mr. Farrar to the Board of the First National Ban-

corporation and the First National Bank of Denver, was this at the request of the management of the Bancorporation for any purpose of its own?

A. No.

Q. Can you tell us the circumstances under which these gentlemen became members of your Board?

A. It was a compromise settlement of the proxy fight and stock tender offer which was made in the year 1968.

Q. By these gentlemen?

A. Yes. It was initiated by the so-called Thatcher group, and a compromise settlement was the addition of these gentlemen to the Board of Directors of the First of Denver and the Bancorporation.

Q. So that their coming onto the Board served no purpose for the Bancorporation?

A. None.

MR. METZGER: I have no further questions.

RE-CROSS EXAMINATION

By MR. SCHOEPKE:

Q. You stated, I believe, that when you went down to see Mr. Farrar, you went with the intention of discussing with him the purchase of the Commercial Bank.

A. The Colorado Commercial Bank.

Q. But why were you particularly interested in that bank?

A. Because at that time we felt it was the best bank in Colorado Springs that was available to us.

Q. And where is that bank located in Colorado Springs?

A. It's in the downtown sector of Colorado Springs.

Q. Is that in the downtown sector or out in the suburban sector?

A. No. It's one of the four downtown banks. It's about a 14 million.

Q. By which you mean, for the record, $14 million in deposits?

A. Yes.

MR. SCHOEPKE: That's all I have.

(The deposition was concluded at 2:50 p.m.)

.....

BRUCE D. ALEXANDER

Subscribed and sworn to before me this .... day of ....., 1970.

My Commission expires .....

.....
Notary Public

CERTIFICATE

STATE OF COLORADO
} ss.
CITY AND COUNTY OF DENVER

I, THOMAS T. TOMKO, Notary Public and Certified Shorthand Reporter, State of Colorado, duly commissioned to administer oaths, do hereby certify that previous to the commencement of the examination of the said BRUCE ALEXANDER said witness was duly sworn by me to testify the truth, the whole truth, and nothing but the truth, and was thereupon interrogated as set forth in the foregoing deposition;

That the said deposition was taken in machine shorthand by me at the time and place aforesaid and was reduced to typewriting under my supervision;

That the foregoing is a true transcript of the questions asked, the testimony given, and the proceedings had;

That after the deposition was transcribed, the same was submitted to the deponent for reading and signing by means of a letter of notification, a copy of which is hereto annexed (that to date there has been no affirmative response by the deponent and said deposition remains unsigned, and the same is filed herewith pursuant to the provisions of Rule 30 e. of the Federal Rules of Civil Procedure);

That I am not attorney or counsel, or in any way connected with any attorney or counsel, for any of the parties to said action, or otherwise interested in its event.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal this .... day of ....., 19 .

My Commission expires December 9, 1972.

.....
THOMAS T. TOMKO
Notary Public

Bertram Naster
Thomas T. Tomko
Phones: 255-0497
255-0498

Depositions
General Reporting

NASTER & TOMKO
CERTIFIED SHORTHAND REPORTERS
AMERICAN NATIONAL BANK BUILDING
DENVER, COLORADO 80202
December 14, 1970

First Nat'l. Bancorporation
621 17th
Denver, Colorado

Attn: Mr. Bruce D. Alexander

Re: Deposition of Bruce D. Alexander
USA vs. First Nat'l. Bancorporation, No. C-2413, 11-18-70

Dear Mr. Alexander:

Your deposition in the above case is now ready for you to read and sign. Please make an appointment by telephone and come in within the next twenty days, or let us know if you need more time. We will endeavor to make an appointment at a time convenient for you.

The Court rules require that your deposition be filed promptly. If after twenty days we have not heard from you, your deposition will be filed with the Court without your signature.

Very truly yours,

THOMAS T. TOMKO
Certified Shorthand Reporter

cc:

Bertram Naster
Thomas T. Tomko
Phones: 255-0497
255-0498

Depositions
General Reporting

NASTER & TOMKO
CERTIFIED SHORTHAND REPORTERS
AMERICAN NATIONAL BANK BUILDING
DENVER, COLORADO 80202

December 16, 1970

Mr. Edward B. Close, Jr.
Hughes & Dorsey
Attorneys at Law
401 First National Bank Building
Denver, Colorado 80202

Re: U. S. vs. First National Bancorporation, et al., Civil No. C-2413

Dear Mr. Close:

Pursuant to our oral understanding at the time of the taking of the depositions of various officers of the bank and others, I am enclosing herewith the original transcripts of the depositions of Lee C. Ashley, Carrol L. Stubbs, Bruce E. Dines, Richard S. Fitzgerald, Theodore D. Brown, Philip James Hogue, Eugene H. Adams, and Bruce D. Alexander, for the purpose of securing signatures thereon through your good offices.

We also enclose our standard correction forms for use if necessary. Both the deposition transcripts and any correction forms used should be signed before a notary public who will execute the form provided thereon.

Your help in this matter will be most appreciated, and when the signatures have been accomplished, would you please telephone this office, and we will be happy to pick them up from your offices.

With kindest personal regards, I remain

Sincerely yours,

BERTRAM NASTER
Certified Shorthand Reporter

Encls.
cc: Mr. Herbert J. Schoepke

DX-71

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO

Civil No. C-2413

UNITED STATES OF AMERICA, *Plaintiff*, vs. FIRST NATIONAL BANCORPORATION, INC., and THE FIRST NATIONAL BANK OF GREELEY, *Defendants.*	DEPOSITION OF LEE C. ASHLEY (Taken by Plaintiff)

PURSUANT TO NOTICE, the deposition of LEE C. ASHLEY, an officer of defendant First National Bancorporation, called by plaintiff for examination by leading questions under the Rule, was taken at the Trust Department Conference Room of the First National Bank of Denver, First National Bank Building, in the City and County of Denver, State of Colorado, beginning at the hour of nine o'clock in the forenoon of the 20th day of November, 1970, before Bertram Naster, a Certified Shorthand Reporter and Notary Public in and for the State of Colorado;

The plaintiff appearing by its attorneys, Mr. Herbert G. Schoepke, Mr. Eugene V. Lipkowitz, and Mr. Kevin D. Brenan, Attorneys, United States Department of Justice;

And the defendant First National Bancorporation appearing by its attorneys, Hughes & Dorsey, by Mr. Edward B. Close, of Denver, Colorado, and Metzger, Schwarz & McKenna, by Mr. Eugene J. Metzger and Mr. Carl W. Schwarz, of Washington, D.C.

WHEREUPON, the following proceedings were had:

LEE C. ASHLEY,

an officer of defendant First National Bancorporation, called by plaintiff for examination by leading questions under the Rule, being first duly sworn, testified as follows:

EXAMINATION

By MR. BRENAN:

Q. Would you state your full name for the record, please.

A. Lee C. Ashley.

Q. What is your address, Mr. Ashley?

A. 983 South Adams Way, Denver 80209.

Q. And what is your present employment?

A. Senior Vice President and Cashier of the First National Bank of Denver.

Q. Do you also hold any other positions with the First National Bank of Denver or First National Bancorporation or any of its subsidiaries?

A. Yes.

Q. Could you outline those positions, please.

A. I am presently Chairman of the Board of the First National Bank of Bear Valley, and I am also a member of the board of the First National Bank of Southglenn.

I am a member of the board of the First National Bancorporation and its Executive Committee, and its Treasurer. I believe that is about it.

Q. Are you also a Vice President of the First National Bank of Southglenn?

A. That's right, yes, I am.

Q. And in addition, are you in charge of the Operations Department of the First National Bank of Denver?

A. Yes.

Q. Is that as part of your job as Senior Vice President?

A. Correct, or Senior Vice President and Cashier.

Q. How long have you held the position that you now hold with the First National Bank of Denver?

A. About twenty-two years.

Q. And how long have you been with the bank in total?

A. Forty years and five months.

Q. Could you state roughly how your time is divided, in other words what percentage of your time is spent in each capacity?

A. Well, let me start with the First National Bank of Southglenn: Attending board meetings once a month, and infrequently Loan and Discount Committee meetings. That is about all the time I spent at present.

Presently, as Chairman of the Board of the First National Bank of Bear Valley, attending Discount Committee meetings maybe twice a month and board meetings once a month, and certain other committee meetings infrequently.

On the First National Bancorporation, attending Executive Committee meetings monthly and board meetings

monthly—no, board meetings quarterly, pardon me: and as a member of the Executive Committee, participating in the deliberations of that committee.

And as far as the First National Bank of Denver is concerned, I would say it takes about ninety per cent of my time.

Q. Now, the answer to Interrogatory 30 indicates that you were active in the formation of the three affiliate banks which are now also subsidiaries of the First National Bancorporation.

A. Yes.

Q. Could you, taking them one by one, describe your role in the formation of First National Bank of Northglenn.

A. I was a member of the board upon its formation. I was active in its Building Committee, which became active about six months or a year after the bank started. I participated to a degree in review of loans, loan applications. I think that is about it.

Q. Well, did you have anything to do with the actual decision to establish that bank?

A. I don't really know to what extent I participated. I participated in the discussions, yes, and recommended the decision be made, as one of several, yes.

Q. Could you describe what factors led you to recommend that this bank be established?

A. Well, there were a number. I assume that the most important would be that it provided one way for our bank to go where its present or prospective customers reside, at least in that quadrant of metropolitan Denver. I think this was perhaps the overriding consideration.

Q. Were there any particular characteristics about the Northglenn area that made that an attractive area to locate an affiliate in?

A. Well, I think our real motive in Northglenn, as well as the others in turn, is basically to go where our customers, as I say, are located. It seems to us that increasingly personal accounts are opened at a bank that is convenient to the residence, rather than where they work, at least to a considerable degree, and a lot of the population in Denver seems to be attracted to that area, and a lot or quite a number of our existing and potential customers live in that general quadrant of metropolitan Denver.

Q. Well, at that time, then, did you consider this to be a growth area in terms of population?

A. Oh, I think we had a feeling that it was growing, yes. It is a new area. There wasn't much in the way of history to go on, but it's a relatively new area, was at the time.

Q. I believe, then, the next affiliate that was formed was the First National Bank of Bear Valley. Could you describe your role in the formation of that bank.

A. Less directly involved than at Northglenn, but nevertheless was asked my opinion about it, and I again expressed my personal view that it would be a proper thing for the bank to consider, and substantially for the same reasons as at Northglenn, but simply applied to another quadrant of the metropolitan area.

Q. Would you say, then, that you also considered the Bear Valley area to be a growth area in terms of population?

A. There certainly has been some growth out there, yes.

Q. Was there anything else that particularly made that an attractive area to locate an affiliate?

A. Yes, because the level of average income appeared to be attractive. It appeared and does appear to be a stable kind of community. It seemed to us that there were real potentials, and we had some people living in that area who were employed by our bank, and so they contributed some first-hand knowledge of the area. It seemed like an attractive opportunity.

Q. And the third affiliate formed was the First National Bank of Southglenn. Could you describe your role in the formation of that bank.

A. I would say very similar to the other two. I don't characterize my connection as being much different in any of the three banks, basically, although I think it was perhaps more active in Northglenn than directly at Bear Valley. However, in Southglenn I did participate in the consideration of the matter and in the decision that we would enter that area.

Q. And were you in favor of that decision?

A. Yes.

Q. Could you explain why Southglenn was an attractive area to locate an affiliate?

A. Well, I think I personally felt convinced at the time

that, although it did not appear particularly attractive at the moment, that it might at some future time, perhaps three or four years down the road. I personally felt, on the other hand, convinced that we would very probably lose money at that bank for at least the first year or two; but I felt, as I say, that it should be, hopefully, in the future an attractive area.

Q. Has that proven to be true?

A. Yes.

Q. Would you say, then, that you also felt that the Southglenn area, at least in terms of the future, was a growth area in terms of population?

A. At the time we went in there, it didn't really seem to be particularly, not where the bank was located, and it's been much slower in that regard, frankly, than we expected. We still are glad we have the bank there, but its growth really has been less dramatic than I guess anybody would have hoped.

Q. In other words, when you located the banks, you anticipated more growth than as occurred?

A. Yes.

Q. How long did it take for the First National Bank of Northglenn to be a profitable operation?

A. Well, I certainly would be guessing. I don't honestly remember. I would say that it took about a year at Northglenn, a little less than that at Bear Valley, and a little more than that at Southglenn.

Q. All right, thank you.

A. That is, if—and I think I should qualify that comment to this extent—that these banks on their own, in my mind, would have had a very difficult time, without some help from us here.

Q. Could you describe the nature of the help that the First National Bank of Denver gave to these banks?

A. Well, I think it would cover the broad spectrum of the entire operations of each institution. I think it would be, number one, people; we contributed personnel that had some experience. I think this is the most important single thing.

We contributed advice on services. We contributed man power for specific situations, that the banks themselves would not have been able to supply.

For example, if we wanted to find out something more about the community, this bank would lend its help and

experience and knowledge in obtaining that information, to assist each one of the banks concerned. So I would say it was, number one, experience and people, and number two, the broad background of this bank that, of course, was not present in those particular areas.

Q. You also participated in the decision to form the First National Bancorporation. Could you describe your role in that formation.

A. Well, I was one of the founders along with the other officers, and did participate in discussions with the other officers, and in turn at least was present during the discussions of such a possibility in our own bank board. I am not a member of our board, but as Secretary I was probably—I would say that I did participate in the discussions, in the considerations that led to the formation of the Bancorporation.

Q. Were you in favor of the formation of it?

A. Yes.

Q. Could you explain why?

A. Well, for many reasons. First of all, I might make a personal comment, that in my opinion Colorado is a very backward state in not adopting a statewide branch banking system, and I still feel this way.

Since that avenue was closed, there appeared to be only two vehicles open for us to broaden our services more widely throughout the area, and to meet the growing needs of customers. One would be affiliate banking and the other would be a bank holding company; and we chose, for a number of reasons, to adopt the bank holding company route as more nearly fitting the—a logical alternative to the unavailable statewide branch banking avenue.

Q. Did you then view this as a way in which First National Bank of Denver could expand and become a statewide organization?

A. I think I would say that it is our hope to be represented as broadly as we can. If you say "statewide," I don't know what you mean by that term. If you mean literally being represented in every area of the state, I would suggest this probably is not realistic; but nevertheless, we do and did at the time, and do hope that we can be more broadly representing our services throughout the area.

Q. Was there any discussion, at the time that the Ban-

corporation was formed, as to how you would bring your services to other areas in the State of Colorado?

A. I don't think so, except to assume that each case would be different, and that each case should be handled as an individual situation, depending on the locality concerned, but with the objectives that I have mentioned.

Q. When you say "each case," what exactly are you referring to there?

A. Well, it might appear very advantageous to attempt to broaden our services in one community, and it might be very foolish to do so in another.

Q. Were there any discussions as to how you would bring your services to any particular community?

A. I think one—I would characterize our concept of opportunities as being varied. As indicated, prior to the formation of the Bancorporation, we thought that at least in metropolitan Denver there might be some advantage in trying to locate in the outlying areas of the City and County of Denver.

As far as outlying areas beyond that are concerned, I think our first preference has been made evident by our application, as representing our preference. And I think at least to us it seems obvious that if we are going to attempt to offer our services in the major population centers of Colorado, that we had best do it by utilizing existing experience in those areas, rather than our trying to either start a new bank in some suburban part of such a community, or even de novo. It seems to us our best opportunity would be, as I say, as characterized by the way in which we have so far filed our applications. I think this speaks for itself.

This is not, I might say, to rule out—and I think I did emphasize that we consider that different communities call for a different approach. The fact that we have filed in some of the major centers so far is not meant to indicate that this is going to be our only aproach, because it isn't, and I think you gentlemen are aware of some other ideas that this bank is thinking of, through your sources of information.

So I don't think it should be said that this bank is committed to one way of trying to extend its services outside of metropolitan Denver.

By Mr. Schoepke:

Q. Could I just interpose one short question? Mr. Ashley, a moment ago, you indicated that in connection with your general goal of extending your services in the state, that it might be advantageous to bring your services to one community and foolish to——

A. Right.

Q. ——to attempt to do it in another. I wonder if you would expand on that and tell us what considerations are involved.

A. Well, I can think of an obvious situation where a population in a particular locality is so small that it would be pointless, it would be extravagant and poor business judgment for us to attempt to form a bank in that particular area. There are many small towns in Colorado that, at least in my personal opinion, would not be fruitful, profitable areas for us to enter, or ones that offer great potential. There are some areas that are declining in importance. So I think this is a matter of business judgment. There is no magic about it.

Q. Well, now, what general considerations would enter into your determination as to the areas that might be advantageous to enter?

A. Those that are stable and offer a chance for the bank to do two things, to do what any business, I assume wants to do, and that is to invest profitably and in so doing to serve the public, to serve the consumers, the customers.

And I don't think our objectives are any different in that sense from anyone else.

By Mr. Brenan:

Q. Just one more question on the subject. I take it from what you said before that Bancorporation has not ruled out expanding de novo outside of the metropolitan Denver area, is that correct?

A. No, we haven't ruled it out. I am not personally aware of any situation where we are considering precisely that route. We are thinking of an industrial bank in Loveland. I don't know whether you'd call that de novo or not. In a sense, this is taking advantage of local know-how to a degree. True, it is an industrial bank, and I would be the first to say that an industrial bank and a commercial bank are not the same type of animal; but this is the only one

currently that we are thinking of specifically that we might approach with a de novo application. But I would certainly, in my own mind, not rule out the possibility, if the conditions seem favorable.

Q. Mr. Ashley, in the answer to Interrogatory 3—and I don't think you will have to refer to it, really—reference is made to a Hamilton Corporation, which it is said will provide computer operations for the subsidiary banks.

MR. METZGER: May I answer that?

MR. BRENAN: How do you know my question?

MR. METZGER: We never heard of the Hamilton Corporation and we haven't the foggiest idea how it got into our answer.

MR. BRENAN: I take it from that that there is no connection whatsoever with the Hamilton Funds?

MR. METZGER: That's right. This just came up yesterday, and Mr. Hogue said he was reviewing the answers and he became very curious when he read "the Hamilton Corporation," and he doesn't know where it came from, he doesn't know how it got into his answer, and there is no such critter.

Q. (By Mr. Brenan) Who does handle the computer operations for the subsidiary banks?

MR. SCHOEPKE: Here is the interrogatory answer.

MR. METZGER: I mean, the witness has no knowledge of it.

MR. SCHOEPKE: If you can answer it, fine. If not, why——

Q. (By Mr. Brenan) Mr. Ashley, are you any relation to Mr. Harry Ashley, who is the President of the First National Bank of Windsor?

A. None.

Q. Mr. Ashley, were you involved in the negotiations leading up to the agreement to acquire the First National Bank of Greeley?

A. No, not except very indirectly, as a member of the Executive Committee, as a member of the board of the corporation, of course—in those capacities only. Mr. Alexander did discuss some of the things with me as a matter of courtesy, but I didn't—no, I did not participate directly.

Q. Did you vote in favor of the acquisition of the First National Bank of Greeley?

A. I certainly did.

Q. Would you explain why.

A. Well, for all the reasons that are involved in the

First National Bancorporation's philosophy that since there is no such thing permitted as statewide branch banking in Colorado, and assuming we wish to grow and be healthy, offer additional services, fulfill a role in not only the Denver community but throughout the area in the best way we can, one of the ways and perhaps the best way available to us is to, in our opinion—was to enter such an area as Greeley, which appears to be a stable area. It has had a very fine history of contribution to the state. We think Mr. Gilbert is an able individual, we think he runs a good bank, basically, and we think this would provide us a perfectly natural opportunity to fulfill the role that the First National Bancorporation visualizes.

Q. Did you play any part in any of the other proposed acquisitions of First National Bancorporation?

A. Yes. First, as a member of the Executive Committee of the Bancorporation, secondly as a member of the board of the Bancorporation, and thirdly as an officer of the Bancorporation; I did in those capacities—yes, I did participate to a degree.

Q. Well, perhaps it would be best to take them one by one. Could you explain what role you played in the decision to acquire the bank in Colorado Springs?

A. I had nothing to do directly with the negotiations. When the negotiations had advanced to a point where it was deemed advisable to present the recommendation to the Executive Committee, it was only at that point that I participated.

Q. And could you describe your participation from that point on.

A. Well, the recommendations having been made and carefully reviewed, first with the Executive Committee, I participated in that consideration and was in favor of the application.

Q. Why were you in favor of that particular application?

A. I would consider my affirmation or my agreement to that, or my recommendation of approving that, would be the same basically as in the case of Greeley, and the same as far as Pueblo is concerned.

Q. Was your role in the Pueblo application similar to your role with greeley and Colorado Springs?

A. Right.

Q. How about the application for the bank in Sterling? What role did you play there?

A. No different.

Q. And were you in favor of that acquisition?

A. Yes.

Q. Could you explain why.

A. Well, that part of the state is one that, in my opinion, we could well enter. Sterling is not one of the dramatically increasing in population areas. However, it is a stable area; it is nevertheless an important agricultural segment of the state.

We think the bank is well managed, as testified by the fact that we brought in as Executive Vice President of this bank the erstwhile President of that bank. So again, we view this as being another opportunity to enter an area and broaden services in an area in which we are not represented.

By Mr. Schoepke:

Q. Mr. Ashley, you stated that you were not represented in Sterling. You have a correspondent bank there, do you not?

A. Yes.

Q. Who is your correspondent, if you know?

A. Security State Bank.

By Mr. Brenan:

Q. Could you describe what part you took in the decision to acquire the bank in Boulder.

A. Well, my participation in that is basically no different from any of the others. In none of these, including those that you have not yet mentioned, have I been directly connected with the direct negotiations. It is only when negotiations have reached a point that Mr. Alexander or Mr. Alexander and Mr. Close make a recommendation to the Executive Committee, that I begin to actively participate, where my views as a member of that committee are requested, and further after that, as a member of the board.

Q. Could you give us your views as to the Boulder application.

A. I am highly in favor of our making that application. I think it would be a proper addition to the First National Bancorporation.

Q. Why do you feel that would be a proper addition to the Bancorporation?

A. Well, just like the other areas, it is a very important population center of Colorado; it is one that has some growth and certainly has a history of stability. This is a bank we know well. We think we know what we are getting into. We think the bank needs help and we think we can make out of that bank something that would be a credit to Boulder and to this bank.

Q. What was your recommendation as far as the application to acquire the Montbello Bank?

A. Favorable.

Q. Why?

A. Well, the Montbello industrial area is one that does not have a bank in it, and if we obtain approval of the application for the Montbello State Bank, we will move—we plan to move that bank into that industrial and residential complex, and we believe that area directly within that geographical center needs a bank. And we think the Montbello State Bank, in its present location, with its present activities, does not fulfill a proper role for a community of that size.

Q. At one point Bancorporation was considering entering that area by chartering a new bank. Could you explain why that decision was made?

A. Why the——

Q. Why the decision to enter with a de novo bank was made. I know it was subsequently changed, but——

A. Well, I think the consideration of wanting to get in there was one which certainly would have encouraged us to try and enter with a de novo bank if there was no other way to do it. But the Montbello State Bank does have deposits, it does have a clientele, it does have a certain acceptance, and this therefore seems a more logical way to go in.

I would suppose that at least for some considerable time, in my opinion, it would be quite difficult to expect two banks to survive successfully, and there is no point in going in, obviously, if we are just going to have a nice little bank building and no customers.

Q. Is regulatory authority required to move a bank from one location to another?

A. Yes.

Q. Do you have any assurance that you will be able to

move the Montbello bank, once you get permission to acquire it?

A. Well, I don't know how to characterize that assurance. I think we have reason to believe that it would be a logical thing and that the State Bank Commissioner would approve. I am not personally aware of the precise extent to which this approval has or has not been assured.

I certainly have every reason to believe that we would be granted permission to move, because I have participated in the tentative plan to have such a bank, subject to the necessary approvals, located within the new seven-story structure that is located at 45th and Peoria, right across from the proposed shopping center.

By Mr. Schoepke:

Q. Mr. Ashley, you say you have "reason to believe." What is the basis of your reason for believing that you can move this bank, if and when you do acquire it?

A. Well, Mr. Alexander, for one, has so stated.

Q. Did he, in so stating, indicate the reasons that he felt that this approval was assured or could reasonably be anticipated?

A. Well, I don't know quite how to answer that. Of course, he'd be better able to answer that question directly than I would.

Q. Well, the only thing, obviously, that you can answer is what Mr. Alexander said to you on that subject in your presence.

A. Yes.

Q. What, to the best of your recollection, did he say?

A. Well, you have put your finger on it when you say to the best of my recollection, because I don't honestly recall precisely, but I do recall his having given me every reason to believe that we would have such permission. I can't for the life of me remember precisely the reasons.

That bank, the Montbello State Bank, is not doing famously, for one thing, as far as profits are concerned. The Montbello area needs a bank. It would seem to be logical that the Comptroller of the Currency would not be averse to having a bank located directly within that area, but I would be kind of guessing, frankly, on my recollection.

If the State Bank Commissioner permits it to be changed, I don't think—personally, I don't think there is any ques-

tion of that, because it would be moving it nearer a population center, which would seem to me perfectly logical. And I am kind of drawing on my guesstimates rather than my certainty, as to precisely what Mr. Alexander said.

Q. Well, do you recall whether or not he said that he had been in communication with any bank regulatory authority on the question of the possibility of moving the bank, if and when it was acquired?

A. It is my recollection he had been in touch both with the State Bank Commissioner and the Comptroller of the Currency, and based upon those very preliminary discussions—of course, it is not binding upon anybody, because the application hasn't been approved, but based upon those discussions, as I say, it is my recollection that this gave him a reason to feel assurance that the permission would be granted.

MR. BRENAN: That's all. Do you have any cross-examination, Mr. Metzger?

EXAMINATION

BY MR. METZGER:

Q. When you were cataloguing your various capacities with the Bancorporation and its affiliates, I believe you did not mention directly at that time that you are Secretary of the Board of the First National Bank of Denver.

A. Right. That's correct, I didn't.

Q. And if I may summarize your representation about the major contribution you felt you could make to the organization of the new subsidiaries, it was the addition of experience, competent management assistance—was that what you would believe to be the major contribution?

A. I would say it's experience plus the right kind of people, yes.

Q. Are you familiar with the present location of the office of the Montbello State Bank?

A. Yes.

Q. In your opinion, is that located convenient to the population centers which it is designed to serve?

A. I personally think it is a very unfortunate location.

Q. And would this be a reason why you would believe that the State Banking Commissioner would favorably view a move to a more desirable location?

A. I would think this would be an important reason.

MR. METZGER: No further questions.

MR. SCHOEPKE: Just one more short question. Mr. Ashley, when the First National Bancorporation commenced preparing an application for a de novo bank in the Montbello area, was the Montbello State Bank then in existence, do you know?

THE WITNESS: I'd have to say I honestly don't remember.

MR. BRENAN: We have no further questions, but we would just like to note that we continue this deposition to an indefinite future time.

MR. METZGER: And correspondingly with our notice of last time, we recognize no such right.

.....
(Signature of Witness)

Subscribed and sworn to before me
this ..... day of ....., 1970.
My Commission expires .....

.....
Notary Public

CERTIFICATE

State of Colorado
City and County of Denver } ss.

I, Bertram Naster, Notary Public and Certified Shorthand Reporter, State of Colorado, duly commissioned to administer oaths, do hereby certify that previous to the commencement of the examination of the said LEE C. ASHLEY, said witness was duly sworn by me to testify the truth, the whole truth, and nothing but the truth, and was thereupon interrogated as set forth in the foregoing deposition;

That the said deposition was taken in machine shorthand by me at the time and place aforesaid and was reduced to typewriting under my supervision;

That the foregoing is a true transcript of the questions asked, the testimony given, and the proceedings had;

That I am not attorney or counsel, or in any way connected with any attorney or counsel, for any of the parties to said action, or otherwise interested in its event.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal this ..... day of ....., 19...

My Commission expires June 9, 1974.

.....
BERTRAM NASTER,
Notary Public

DX-72

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO

Civil No. C-2413

UNITED STATES OF AMERICA, *Plaintiff,* vs. FIRST NATIONAL BANCORPORATION, INC., AND THE FIRST NATIONAL BANK OF GREELEY, *Defendants.*	DEPOSITION OF THEODORE D. BROWN (Taken by Plaintiff)

PURSUANT TO NOTICE, the deposition of THEODORE D. BROWN, called for examination by the plaintiff herein, was taken at the Trust Department Conference Room, First National Bank of Denver, in the City and County of Denver, State of Colorado, beginning at the hour of nine o'clock in the forenoon of the 23rd day of November, 1970, before Bertram Naster, a Certified Shorthand Reporter and Notary Public in and for the State of Colorado:

The plaintiff appearing by its attorneys, Mr. Herbert C. Schoepke, Mr. Eugene V. Lipkowitz, and Mr. Kevin D. Brenan, Attorneys, United States Department of Justice;

And the defendant First National Bancorporation appearing by its attorneys, Hughes & Dorsey, by Mr. Edward B. Close, of Denver, Colorado, and Metzger, Schwarz & McKenna, by Mr. Eugene J. Metzger, of Washington, D.C.

WHEREUPON, the following proceedings were had:

THEODORE D. BROWN,

called for examination by the plaintiff herein, being first duly sworn, testified as follows:

EXAMINATION

By MR. LIPKOWITZ:

Q. Would you state your name for the record.
A. Theodore D. Brown.
Q. And your address, please?
A. 6300 Greenbriar Drive, Englewood, Colorado.
Q. Would you describe your employment since law school.

A. Finished law school in June of 1948 and went to work for the International Trust Company in July of 1948. Left that institution in December of 1951, went to the Security State Bank of Sterling in January of 1952, and left that institution in January of 1970 to become Executive Vice President of First National Bank of Denver.

Q. Do you also have a role within the First National Bancorporation?

A. I am a director and member of the Executive Committee of the Bancorporation.

Q. Do you have a role in the acquisitions policy of the First National Bancorporation?

A. No more so than any other director or member of the Executive Committee.

Q. When you were with the Security State Bank in Sterling, what was your role there?

A. Well, I was the Vice President and Trust Officer when I went to Sterling. In 1962, I believe was the date, I became Executive Vice President of that bank, and then subsequently became President of that bank.

Q. Do you own any shares in Security State Bank of Sterling?

A. Yes.

Q. And do you do this directly or through the Brown Corporation or——

A. No, the stock that I own in the Security State Bank is in my own name.

Q. What is the Brown Corporation?

A. It is a family investment company which owns an interest in two insurance agencies and does hold stock in the Farmers State Bank of Yuma.

Q. To the best of your knowledge, is the First National Bancorporation now considering acquisition of that bank in Yuma?

A. No, sir.

Q. Does the Brown Corporation own any stock in the Security State Bank of Sterling?

A. No, sir.

Q. Do other members of your family own stock in either the Security State Bank of Sterling or the Brown Corporation?

A. Yes, my wife owns stock in both the Security State Bank of Sterling and the Brown Corporation.

Q. Would it be fair to state that your family controls the Security State Bank?

A. Well, I don't know how you are using "control." My wife and I do not own more than 50 per cent of the Bank of Sterling. Let me also state that her sister, my wife's sister, and her husband together own a little more than 40 per cent of the Security State Bank of Sterling, which is the same percentage of stock that my wife and I own.

Q. I see. Do you know of any other acquisitions of banks in Sterling that are pending at this point?

A. Well, only the one that was publicly announced about a week ago. The Colorado National Bancorporation, I believe, announced plans to acquire the First National Bank of Sterling.

Q. Do you anticipate that any of the acquisitions in Sterling will lead to any change in the correspondent relationships between Sterling banks and Denver banks, to the best of your knowledge?

A. Well, in the event that the Security State Bank acquisition is approved and goes through, I would anticipate no changes in that situation. It would be speculation, I guess, for me to try to guess what might happen with First National of Sterling. We do have a small correspondent account with them. Whether the new owners will see fit to continue it or not, I am not in any real position to say.

Q. "We" being the First National Bank of Denver?

A. "We" being the First National Bank of Denver.

Q. Do you happen to know who the major correspondent of the First National Bank of Sterling is, in Denver?

A. Well, I have been told it is the United Bank of Denver, but that is hearsay as far as I'm concerned.

Q. Who is the major correspondent in Denver of the Security State Bank of Sterling?

A. First National Bank of Denver.

Q. When did First National Bancorporation first discuss with the Security State Bank of Sterling this pending acquisition?

A. Well, my own conversations with officials of the Bancorporation probably go back three years or more, and that is even prior to the time that my coming back to the First of Denver was discussed.

Q. So at the time of the negotiations you were President of the Security State Bank?

A. That is correct.

Q. Was discussion of this acquisition in any way related to your change of job in coming to the First National Bank of Denver?

A. Not originally, because it came up before the subject of my coming back to Denver ever arose. Our relationship between the First of Denver and the Security State Bank is a very old one. The correspondent relationship goes back to the late twenties. The bank in Sterling was founded in '25, and I don't have the exact date that they opened the account in Denver, but it would have been between '25 and 1930. So we felt very close to them for all of those years.

Q. Could you describe the reasons why you recommended the sale of Security State Bank of Sterling to First National Bancorporation?

A. Yes. As a matter of personal philosophy, I suppose, it has been my convicition for some years that agriculturally oriented banks in rural communities are going to have a very difficult time growing and surviving to meet the needs of their customers, without access to more capital, without dependable access to a source of lendable funds.

I preached this doctrine for about three years as Chairman of the American Bankers Association Agricultural Committee, and I just happen to feel it quite strongly, and I felt it strongly in our own case in Sterling, and this was a primary matter of concern to me.

Q. Does not the First National Bancorporation stand ready to provide large agricultural loans to big feeders or packers, or through the overline facilities provide such money as is necessary to help their correspondents make such loans?

A. Well, the Bancorporation—this is a mere technicality, I guess—the Bancorporation as such has no correspondents.

Q. I'm sorry, I meant First National Bank of Denver.

A. Yes, the First of Denver has always been a leader in that kind of lending. We, I think, because of our long-time relationship, probably fared better in the matter of correspondent banking services during periods of very tight money than maybe some others; but I happen to feel that that is a rather tenuous tie to depend upon in the future.

Q. Do you anticipate continued tight money, in view of

this reduction for the second time within perhaps ten days of the prime rate out of New York?

A. Yes, I do. I think the prime rate change in the last ten days are things that we will have to live with, but I don't think they are going to be permanent. And certainly the demands for money in this area are not the same as the apparent ease in New York City.

Q. When did you enter into an agreement to sell the Security State Bank to the First National Bancorporation?

A. I don't have the exact date with me, but it was December of 1969.

Q. Did you at that point know you were coming to the First National Bank of Denver?

A. Yes, sir.

Q. When were you first offered the position with the First National Bank of Denver?

A. June of 1968.

Q. Could you say why it took you a year and a half to come here?

A. Yes, personal reasons. I have a family; I had a young daughter in high school, and I didn't want to disturb that. I had certain management situations in Sterling that I had to arrange for before I could leave.

Q. With whom did you first discuss the sale of your bank?

A. Bruce Alexander. Well, now, wait—the very first discussion, the one I referred to of some three years ago, which was really sort of nebulous and didn't come to anything, was with Mr. Adams. The first concrete discussions that led to the final agreement were with Mr. Bruce Alexander.

Q. Did you at any time contemplate offering your bank to any of the other bank holding companies in Colorado?

A. Not seriously.

Q. Were you aware at any point that Colorado CNB was interested in making an acquisition in the Sterling area?

A. No, sir.

Q. Did it come as a surprise to you when you read it in the paper the other day?

A. No, because I had heard the rumors last spring that this was being talked about.

Q. Do you hear any other rumors that perhaps any other

banks up in Sterling or Logan County might be acquired by any other bank holding company in Colorado?

A. Not—no, not at this time.

Q. When you first talked with Mr. Adams about three years ago, could you describe how the subject got around to the possible sale of the Security State Bank to the First National Bancorporation?

A. Well, as I say, it was a fairly informal conversation. In fact, as I recall, it was on an airplane. We were both going to the Federal Reserve Board meeting in Kansas City, and I broached the subject, discussed it in very general terms, along the lines that I have mentioned to you earlier—my convicition that something had to happen to permit country banks, as I know them, to grow and do a job in the community.

Q. How did the subject of the sale next come up?

A. I pursued it.

Q. With whom?

A. With Mr. Alexander.

Q. And this was how long ago?

A. Well, this was the conversation that culminated in the agreement of last December, and I suppose we started talking in the middle of 1969 relatively seriously.

Q. Back to the airplane, what did Mr. Adams say when you and he began to discuss this idea of selling the bank for the reasons you have described?

A. It was his feeling at that time that it was premature, that the Bancorporation itself wasn't far enough along in its own organization to think about acquisition out in the state, outside of the metropolitan area.

Q. What led you then to next pursue the subject with Mr. Alexander?

A. Well, two things. Again, my conviction that if our bank in Sterling were going to continue to do a job, we had to find some such solution for its long-range growth; and then secondly, by that time my employment in Denver had become a factor.

Q. Were you aware at that point of any other acquisitions by First National Bancorporation outside of the Denver area?

A. At that point?

Q. At the time.

A. You mean mid-1969?

Q. Yes.

A. Yes. I knew that they were talking with a Colorado Springs bank, I knew that they were talking with a Greeley bank, and I believe as of that time those are the only two that I was aware of.

Q. When the negotiations began in earnest in the middle of 1969, you say you were already aware that you were going to be coming to Denver to go with the First National Bank of Denver. Did this make for any difficulties in negotiating?

A. I don't think so. At that time my brother-in-law, which I guess isn't the legal definition—my wife's sister's husband entered into the discussions. We kept it at arm's length, and certainly in deference to their substantial investment in the bank it was my intent that it would be at arm's length, the transaction.

I might add to that, that just because I was coming to Denver, we were not interested in giving our bank in Sterling away to anybody.

By Mr. Schoepke:

Q. Mr. Brown, going back to the conversation that you had with Mr. Adams on the airplane, which you indicated was around 1965, if I recall your testimony you indicated that when you brought the subject up, Mr. Adams's general reaction was that Bancorporation wasn't far enough along in its organization to give serious consideration to the subject matter of acquiring your bank at Sterling. Did Mr. Adams indicate that the Bancorporation was in the process of being considered at that time?

A. Let me correct a misunderstanding. I don't think I said—I didn't mean to say five years ago, to the best of my recollection.

Q. 1965 is the date that——

A. No, I think I said 1967, three years ago, by which time the Bancorporation had been formed.

Q. You understood that it had been formed in '67 or that it——

A. I am not clear about the exact date, but at the time I had the conversation with Mr. Adams, the Bancorporation had been formed.

Q. Would you recall what Mr. Adams said with regard to Bancorporation and its formation?

A. I don't think any more so than I have already stated. It was a very sort of general and in-passing conversation on an airplane trip. We did not get into any details or specifics.

Q. Well, did you know at that time that there was any consideration concerning the organization of a holding company by the First National Bank of Denver?

MR. METZGER: I think the witness has said that the holding company had been formed at the time of the conversation.

THE WITNESS: That's correct.

Q. (By Mr. Schoepke) It was officially in existence, to the best of your knowledge, at the time of that conversation?

A. That's correct.

MR. SCHOEPKE: All right.

BY MR. LIPKOWITZ:

Q. Had you, when you were a president of a country bank, been in favor of or against the various proposals for branch banking in the State of Colorado?

A. Well, in 1962 I was Chairman of a Colorado Bankers Association committee to study branch banking. That committee came up with a majority report which proposed a form of limited branch banking, and I endorsed that majority proposal.

Q. Limited in what respect?

A. To area. It was a proposal for a limited metropolitan branching.

Q. But you have said that at some point in the sixties, at least, you felt that it was important that an agriculturally oriented bank link up with some larger banking organization to provide capital for farm loans?

A. That's right.

Q. How do you square those two signs?

A. I don't see any conflict in them.

Q. Well, the farm areas in the State of Colorado are generally outside the metropolitan area of Denver.

A. Oh, you mean—well, you didn't ask me if I had favored statewide branch banking, had that been the issue. It wasn't the issue at the time.

Q. I see. I take it, then, from that, you were in favor of statewide branching?

A. I would have been favorable to that, had that been the proposal, yes.

Q. Was there any discussion at the time as to the alternatives between branching by acquisition or branching by de novo branching?

A. No.

MR. LIPKOWITZ: Thank you. No further questions.

EXAMINATION

BY MR. METZGER:

Q. Mr. Brown, I believe you testified that you had been a correspondent of First National Bank of Denver for some forty-odd years. Was that a chief correspondent relationship all during that period?

A. Yes. I think early in the twenties the Security State Bank's chief Denver correspondent was one other than the First National, but that situation prevailed only for a few years, probably five. Since 1930 the First Denver has been the Sterling bank's principal Denver correspondent.

Q. And I believe you indicated that the negotiations for your return to Denver as one of the chief executive officers of the First National Bank of Denver preceded any serious negotiations for your bank in Sterling?

A. That's correct.

Q. And were they related, to your knowledge, in any way? Was the fact that your services were selected related to any suggestion they might want your bank as part of that transaction?

A. No, one was not a condition of the other.

Q. Now, you suggested that as an agriculturally oriented bank or banker in Sterling, you felt that you needed the lending capacity of an organization closely linked to your own, because of the rising trend of agricultural loans—rising costs associated with it. Is that the only reason that you felt this close association would be desirable?

A. No. I had a personal reason for it, a family-related reason, which was to convert our investment in a single agricultural bank into a more widely held, more liquid security. For estate planning purposes and family investment purposes, I felt that was advantageous.

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Q. Are there any other business reasons why the bank itself would find this relationship desirable?

A. Well, yes. A bank the size of the bank in Sterling has considerable difficulty attracting younger men, talented younger men in today's market. Apparently they tend to look upon a country town as sort of a dead end and a job in a country bank as sort of a dead end too.

Specifically, I have been trying to recruit a Trust Officer for the bank in Sterling for about a year and a half, and I have met with very little success. On two occasions, young fellows that I interviewed said "Well, can you assure me that the bank will become a part of the First National Bancorporation, and that I thereby will have some possibility of moving around or moving up, a wider field in which to operate?"

And, of course, at the time I could give them no such assurance. But that was a factor, in our judgment.

Q. And you weren't able to secure their services?

A. To date I have been unable to secure the services of a young man.

MR. METZGER: Thank you. No further questions.

FURTHER EXAMINATION

BY MR. SCHOEPKE:

Q. Mr. Brown, with regard to your last answer, is it your view, then, that the solution to the personnel problem of country banks is to make all country banks subsidiaries of large city bank holding companies?

A. No, sir.

Q. Is there any room for a country bank, under the difficulties that you have described?

A. Yes, there are areas which country banks are serving, which have not experienced the rate of growth that the northern Colorado trade area has experienced. Not all country banks have the same problems, by any means. We happen to be in a growth area because—largely because of the emphasis upon cattle feeding in the area.

Q. Where does the cattle feeding in that area take place?

A. Well, by numbers, it is located within probably a ten-mile radius of Sterling itself.

Q. You have feeding operations in Sterling?

A. Yes.

Q. The reason I asked, I know there is some reference in some of the interrogatory answers to a town called Brush, and there were some organizations mentioned there. One was Boxer, another was Weisbart—something of that sort?

A. That's right.

Q. Are those feeder operations?

A. That's correct.

Q. They're in that section?

A. Yes. Brush is in Morgan County, which is an adjoining county. We don't normally regard it as in the Sterling trade area and we don't service those customers out of Sterling.

Q. Do you ever participate in loans to those operations in the Brush area?

A. No, sir. When you say "we," are you speaking now of the Sterling bank or First National?

Q. Your Sterling bank.

A. The Sterling bank does not.

By Mr. Lipkowitz:

Q. As an owner, directly or indirectly, of a bank in Yuma, have you given any consideration to what would become of that bank, in light of your concern with the difficulties of attracting people to the bank in Sterling?

A. Well, that is a good example of what I meant when I said not all country banks have the same problems. Up until now, the Yuma bank has not experienced the problems handling the growth of the customers, that the Sterling bank experienced, and that is due largely to the different nature of the agricultural production in the two areas.

Q. Have you, as a director of First National Bancorporation, considered establishing a new bank in any of these growth areas around the State of Colorado where the services of such a bank seem to be needed?

A. Would you restate the first of that. Have I as a director of the Bancorporation, did you say?

Q. Yes.

A. No, not seriously.

Mr. Schoepke: May I ask another?

Mr. Metzger: Yes.

Mr. Schoepke: I don't mean to be picking on you from three directions; I'm trying to save time.

By Mr. Schoepke:

Q. With regard to your recruitment activity that you described, in which you experienced some difficulty, would you tell us, how did you go about attempting to recruit personnel needs of your bank?

A. Well, now, I am speaking specifically of my trying to recruit a Trust Officer.

Q. Trust Officer, yes.

A. Are we talking about that?

Q. How did you go about trying to recruit him?

A. Well, number one, I made it known to the Trust Department of the First National Bank of Denver that I was looking for somebody. Number two, I communicated with the legal counsel for Colorado Bankers Association, gave him the same message.

I communicated my need to the managing officer of the Colorado Bankers Association. We placed ads in a bank publication known as—what is the one out of Kansas City—Bank News. I contacted two professional placement agencies, one in Kansas City and one in Denver.

Q. Do you recall the names of those two placement agencies?

A. Well, the one in Kansas City is the agency that is associated with Bank News Magazine, and the one in Denver is called, I think, Placements, Inc.

Q. Did you get any responses at all from these?

A. Yes, sir.

Q. How many people did you interview?

A. Probably a half dozen.

Q. Did you give any offers to them?

A. Yes, sir.

Q. And they were rejected?

A. Yes, sir.

By Mr. Lipkowitz:

Q. How would Bancorporation handle the problem, assuming the acquisition of the bank in Sterling were to go through? Could they just simply assign somebody to go off and live in Sterling, with any assurance that he'd go?

A. Not with any assurance he would go. We had an interesting reaction from, I guess, the last fellow I talked with, who was one of the people who said, "Well, can you assure me that the Sterling bank will become a part of the

Bancorporation?'' And he indicated at that time that he would not be averse to going to Sterling if he felt that in the event he didn't like it or his wife didn't like it, he had some opportunity in one or two or three years to go back, to come back to Denver or to go to another bank owned by the Bancorporation in another population area.

By Mr. Schoepke:

Q. How are you carrying on your trust activities at this time?

A. Well, we have a young lady who is an administrative officer, who handles the detail, the operation detail.

The Trust Investment Committee, under the chairmanship of the president of the bank, operates, and we have counsel retained to handle the instrument analysis and this type of thing.

Q. Do you get any assistance from First National Bank of Denver as your principal correspondent?

A. Yes, sir.

Mr. Schoepke: I have no further questions.

Further Examination

By Mr. Metzger:

Q. At one point during your examination, Mr. Brown, you used the term ''growth area'' referring to Sterling and in another you used the term ''growth of customers,'' relating to Sterling. Could you explain what you meant by ''growth'' in that context?

A. Yes. I wouldn't classify Sterling as a growth area in terms of population. I don't think the census would support that observation. I had in mind the growth of the size of our borrowing customers and their demands for credit.

Mr. Metzger: Thank you. No further questions.

Mr. Lipkowitz: We will postpone any future questions to an indefinite future date.

Mr. Metzger: And the defense continues its objection to any continuation of the proceedings. The witness stands ready to answer any questions which the Government may have to ask at this time.

Thank you, Mr. Brown.

.....

(Signature of Witness)

Subscribed and sworn to before me
this ..... day of ....., 19...
My Commission expires .....

.....
Notary Public

CERTIFICATE

State of Colorado
City and County of Denver } ss.

I, Bertram Naster, Notary Public and Certified Shorthand Reporter, State of Colorado, duly commissioned to administer oaths, do hereby certify that previous to the commencement of the examination of the said THEODORE D. BROWN, said witness was duly sworn by me to testify the truth, the whole truth, and nothing but the truth, and was thereupon interrogated as set forth in the foregoing deposition;

That the said deposition was taken in machine shorthand by me at the time and place aforesaid and was reduced to typewriting under my supervision;

That the foregoing is a true transcript of the questions asked, the testimony given, and the proceedings had;

That I am not attorney or counsel, or in any way connected with any attorney or counsel, for any of the parties to said action, or otherwise interested in its event.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal this .... day of ....., 19...

My Commission expires June 9, 1974.

.....
BERTRAM NASTER,
Notary Public

DX-73

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO

Civil Action No. C-2413

UNITED STATES OF AMERICA, *Plaintiff,* vs. FIRST NATIONAL BANCORPORATION, INC., AND THE FIRST NATIONAL BANK OF GREELEY, *Defendants.*	DEPOSITION OF REX C. EATON, JR.

PURSUANT TO NOTICE AND THE FEDERAL RULES OF CIVIL PROCEDURE, the deposition of REX C. EATON, JR., executive vice-president of the defendant, First National Bank of Greeley, was taken by the plaintiff at 2:40 p.m. on Thursday, November 19, 1970, in the trust department conference room of the First National Bank Building, Denver, Colorado, before Thomas T. Tomko, Notary Public and Certified Shorthand Reporter, State of Colorado.

The Plaintiff appeared by HERBERT G. SCHOPKE, KEVIN D. BRENAN and EUGENE V. LIPKOWITZ, Attorneys, Department of Justice, Anti-Trust Division, Washington, D. C.

The Defendants appeared by EDWARD B. CLOSE, JR. of Hughes and Dorsey, Attorneys at Law, First National Bank Building, Denver, Colorado, and EUGENE J. METZGER and CARL W. SCHWARZ of Metzger, Schwarz & McKenna, Attorneys at Law, One Farragut Square South, Washington, D. C.

Also present, Messrs. Alejandro M. Gillespie and Robert M. Gilbert.

* * *

REX C. EATON, JR.,

the deponent herein, called by the plaintiff, having been first duly sworn, was examined and testified as follows:

CROSS-EXAMINATION

BY MR. BRENAN:

Q. Will you please state your name for the record.

A. Rex C. Eaton, Jr.

Q. And your address?

A. 1944 26th Avenue, Greeley, Colorado.

Q. What is your current employment, Mr. Eaton?

A. I'm executive vice-president of the First National Bank of Greeley.

Q. How long have you held that position?

A. Since approximately 1962.

Q. Have you held other positions with First National Bank of Greeley prior to 1962?

A. Yes, I have.

Q. Could you roughly outline those?

A. I was employed by the bank originally in 1956. I held the positions of assistant cashier, cashier, vice-president and cashier, vice-president and executive vice-president.

Q. Would you roughly outline your work history prior to your employment with the First National Bank of Greeley?

A. I graduated from the United States Naval Academy in 1948. I spent approximately 75 months on active duty as a regular Naval officer. Upon leaving the service, I attended Colorado State University for two years and then joined the bank staff in 1956.

Q. Mr. Eaton, the Answer to Interrogatory 31 indicates that you were assigned, along with Mr. Gilbert and Mr. Birch to work with Small, Cooley and Associates in preparing an application to organize a de novo bank in west Greeley.

Could you describe in your own words why First National Bank of Greeley was interested in this application?

A. To serve an area of Greeley that was an expanding area in population due to the growth of the community and to be able to set up an affiliate relationship where there would be some common directors and common management on a small suburban retail bank.

Q. Had the First National Bank of Greeley ever considered such expansion at any time prior to 1963?

A. Not to my knowledge.

Q. At the same time there were other applications pending for de novo offices in Greeley. Would you state who?

A. We understood that at the time the Greeley Bank was in the proces of preparing a similar application, later

in the same year the Weld County Bank did apply for a state charter for a different location.

Q. Do you know the order in which these applications were filed with regulatory authority?

A. It's our understanding that the Greeley National Bank filed theirs with the Controller of the Currency prior to the time we filed our application. It's my understanding that the Weld County Bank filed their application later in the same year after the decision had been made on the National Charter.

Q. Approximately how far was the area where Weld County Bank was applying as opposed to where First National Bank of Greeley was?

A. The exact location of the application filed with the Weld County Bank was never positively defined. It was defined within a radius of a certain point. So using that approximation, between a mile and a half and two miles, approximately.

Q. Would you say that that was designed to serve a different area completely than your application and the application of Greeley National Bank?

A. Yes, sir.

Q. Do you know what happened with regard to that application?

A. It's my understanding that it was approved, the charter was granted. It was never activated and subsequently revoked to clear it from the files.

Q. Do you know why they never acted upon their approval?

A. I'm not qualified to answer the question.

Q. I thought you might have heard something.

MR. METZGER: It was approved on August 21st, 1963, and approval was revoked on October 20th, 1964.

Q. (By Mr. Brenan) The Greeley National Bank at this time already had one affiliate in the town of Greeley, is that correct?

A. That's correct.

Q. When did they apply for that, do you know?

A. If we had a Bank Directory here, it will give the date.

MR. METZGER: It was organized in 1962.

THE DEPONENT: So they would had to have applied some time in '62 or the latter part of '61.

Q. (By Mr. Brenan) Were there any discussions at that time among the officers of First National Bank of Greeley making any application for that bank to get an office in the same area?

A. In that area, the growth was pretty well blocked as it was developed, because it borders the town of Evans, Colorado, and that restricted future growth in the direction that the Cache National Bank was servicing.

Q. What I meant was some sort of a competing application.

A. We didn't feel that there was merit to applying for another charter in that location because of the inability to make two banks in that area profitable.

Q. I don't mean two banks now. I mean when they applied for Cache National, did you ever consider applying for a similar application to the one you made in 1963 to try and get it instead of the Greeley National Bank?

A. No, not to my knowledge.

Q. Had there ever been any discussions prior to 1963 of First National Bank of Greeley making an attempt to organize a new branch bank?

A. Not in the time that I was privy to that type of information.

Q. Did the 1963 application signify sort of a change in outlook by the First National Bank of Greeley?

A. I think a desire to serve the citizens of the community.

Q. True. But what I'm driving at is was there some sort of a change in philosophy there whereby they decided that the community possibly could be served by expanding to another bank rather than just by expanding perhaps their own service offered by the First National Bank of Greeley?

A. I would say no.

MR. METZGER: Off the record.

(Discussion off the record.)

Q. (By Mr. Brenan) More recently there has been another investigation instigated by First National Bank of Greeley with regard to possible de novo expansion.

A. It was instigated by principals associated with the bank but not by the bank. I don't know that I can add

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anything to the comments that were made prior by Mr. Gilbert on that particular subject. I am familiar with what has taken place.

Q. Mr. Gilbert didn't mention the name of the director who asked that the study be instigated. If you don't mind, could you?

A. The member of our board who was developing with his associates that area is Ernest B. Scott. However, the decision to make the study was made by the entire group of men serving on the board.

Q. In their official capacity?

A. No. As individuals.

Q. When exactly was the request made of Small, Cooley and Associates to conduct the study?

A. We have a copy of it. The report of Small and Cooley was made approximately four weeks prior to that time. The report was rendered to Mr. Gilbert and myself under date of March 10th, 1969. As I can best recall, it was four to six weeks in preparation.

Q. So that would make the request sometime around the end of January or the beginning of February? I notice that the letter sent to yourself and Mr. Gilbert by Mr. Small is addressed to the First National Bank. You have stated that there was not a formal request of the bank but of individuals.

Is there any reason why it was sent to the bank?

A. I would have to assume that, because he met in our offices and that he took the bank title when he sent the covering letter.

Q. Is there any connection whatsoever with the request made to Small, Cooley and Associates to conduct this study and the discussions and subsequent agreement with First National Bancorporation to become part of the holding company?

A. The request was made prior to any discussions with First National Bancorporation, to the best of my knowledge.

Q. During the discussions with First National Bancorporation prior to the agreement, was the study brought up?

A. The option that has been discussed by Mr. Gilbert was mentioned, and that resulted—that became a reality as a result of the study.

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Q. Did you take part in the discussions with Colorado National Bank at the time they were considering forming a holding company and approached your bank?

A. Part of these discussions, yes.

Q. Could you describe what occurred at those?

A. Specifically in one discussion it was Mr. Charles Baird who came to Greeley, and I met with him to provide him certain financial data pertaining to the First National Bank of Greeley so that they could use that in preparing information to be used in arriving at an exchange ratio.

On another occasion I met with Mr. Gilbert and other members of the Colorado National Bank and CNB Bankshares in Denver when certain figures were presented as a result of an analysis of the financial position of the holding company and the member banks and our own First National Bank of Greeley.

Q. But this was when Colorado CNB Bankshares already was a holding company and was considering bringing in First National Bank of Greeley?

A. That is correct.

Q. What I had reference to was that there were prior discussions, were there not, at the time that Colorado National Bank became a holding company?

A. As I believe was reported in Interrogatory 31, there was a phone conversation, I believe, some time in 1964 between Mr. Robert M. Gilbert and Mr. Melvin Roberts when the question was asked, "Would the First National Bank of Greeley be interested in becoming a member of a holding company if it should be formed?"

Q. Do you know what the response to that question was?

A. To the best of my knowledge, "We might be interested," and there was nothing that took place for sometime after that.

Q. They never approached you again?

A. Not until July 1, 1968.

Q. I apologize for some of my questions which may be repetitious. But could you discuss the substance of your meeting with Mr. Baird with regard to the 1968 inquiry of Colorado Bankshares?

A. Providing Mr. Baird with certain annual reports, book values on property held, both real and personal property owned by the bank, earnings figures for the past sev-

eral years, financial data of that nature that they could use for analysis purposes.

Q. And were you present at the meeting in Denver when Colorado CNB Bankshares made the offer to First National Bank of Greeley?

A. I was.

Q. What was your reaction to that offer?

A. Well, they gave us a positive figure that we could then—that was presented to our board of directors, as Mr. Gilbert reported earlier.

Q. The Answer to Interrogatory 31 states that you and Mr. Gilbert reported your recommendation back to the board of directors.

Would you tell me what specifically your recommendation was with regard to that offer?

A. We questioned the wisdom in accepting it.

Q. In other words, you did not?

A. We did not recommend that it should be accepted.

Q. Did you recommend that it be rejected or did you just not make any recommendation at all?

MR. METZGER: I think if we recommended that it not be accepted, we need not go much farther.

MR. BRENAN: Well, you could just present the fact and let the board make their own decision.

MR. METZGER: We have gone beyond that. We said we recommended it not be accepted.

MR. BRENAN: I'm sorry. He didn't exactly say that. I won't quibble.

Q. Also in February and March, 1969, you worked with First National Bancorporation in the discussions leading up to the agreement to acquire First National Bank of Greeley.

Could you describe exactly what your function was there?

A. Meeting in conjunction with Mr. Gilbert and primarily Mr. Alexander and Mr. Close to provide financial data pertaining to the First National Bank so that it could be analyzed, and then in turn working with and analyzing their figures so that we could evaluate the offer that was subsequently made.

Q. Were you present when the offer was made by First National Bancorporation?

A. I was.

Q. And what was your recommendation to the board of directors with regard to that?

A. My recommendation, I think, as has been stated earlier by Mr. Gilbert, was that this offer be considered be accepted.

Q. At the time that you were having these discussions with First National Bancorporation, were you aware of the proposed formation of Affiliated Bank Shares of Colorado?

A. Chronologically speaking, I would say yes, to the best of my memory.

Q. Did that have any bearing on your desire to become affiliated with a holding company?

A. I don't personally feel that it influenced our decision one way or the other.

Q. Mr. Eaton, in response to our Rule 34 request, we received several documents from First National Bank of Denver in which your name is mentioned in connection with certain requests you made to them with regard to business referrals. These documents are numbered pages 1404 and 1411 of the defendants' response to plaintiff's Rule 34 request. I note that both of these documents were written after the acquisition agreement had been entered into. And my question is, were similar requests made prior to your agreement to become part of First National Bancorporation?

A. Yes, we tried to select any correspondent that we felt had the best ability to approach a prospect.

Q. This is one of the services that a correspondent bank offers to you, is that correct?

A. We hope so.

Q. I take it then that simliar requests also would have been made to your other correspondent banks in Denver?

A. We have made requests to other correspondents, yes.

Q. Mr. Eaton, during Mr. Gilbert's deposition this morning the subject of Agricultural Credit Corporation which First National Bancorporation proposes to set up in Greeley came up. And Mr. Gilbert stated that you would be more qualified than he to explain exactly what such a corporation would do and what the benefits of it would be.

A. I don't think that the corporation would be established in Greeley. It would be established in the Bancorpo-

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ration, and any member bank of the Bancorporation would have access to the use of that corporation.

MR. SCHOEPKE: I didn't get the name. What corporation?

A. Bancorporation, First National Bancorporation. Any member of the Bancorporation would be entitled, if they had a loan that qualified, to avail themselves of the use of the Agricultural Credit Corporation. This permits, under the proper establishment, whereafter, for the first year agricultural loans on a ratio, I believe, of four to one of capital, can be sold or discounted to the Federal Intermediate Credit Bank. And in fact, the first year the successful operation of the corporation has been demonstrated, then you can increase the ratio to seven to one of only agricultural loans.

Q. (By Mr. Brenan) Now, in connection with this, who would actually make the loan, the bank or the corporation?

A. The bank would make the loan, and through the corporation—the bank would make the loan on behalf of the credit corporation.

Now, that answer might sound a little bit confusing, but the bank personnel would actually do the paper work for the credit corporation.

Q. So at the time the loan is made, the paper or whatever it would be would be owned by the Agricultural Credit Corporation?

A. If they accepted it.

Q. And then could you roughly describe what steps they would take to dispose of this paper, or whatever?

A. Well, the required documentation as required by the Intermediate Credit Bank would be reviewed, and if they agreed to buy the paper, then funds would be advanced and they would take—own the paper, but it would be serviced by the bank.

Q. So, in other words, the paper would be owned by the Federal Intermediate Credit Bank?

A. On a discount basis, right.

Q. And to whom would the borrower repay the money?

A. He would repay the money to the credit corporation, who would in turn then remit the funds to the federal agency that discounted the paper.

Q. Could you describe how it is that you can increase

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the dollar volume of loans that you can make through this medium?

A. I think just by the fact that you can discount paper at the rate of seven to one times your capital, that in itself creates the fact that the Federal Intermediate Credit Bank will buy that many more dollars than your capital in the company.

Q. Is that each year or——

A. Total outstanding.

Q. Are there any similar agricultural corporations in the Greeley-Weld County area?

A. There was one mentioned this morning, I think High Plains. Reference was made by Mr. Gilbert to a credit corporation owned by the South Platte National Bank. There was another mention made this morning of a Bankers AG Credit Corporation. Those I know are operating in Weld County.

Q. Do these outfits function in the same way as your proposed proposal?

A. To the best of my knowledge.

Q. Also during Mr. Gilbert's deposition this morning mention was made of possible plans to relocate the Monfort feed lots, and Mr. Gilbert stated that you might know more about that. Could you state what you do know about those plants?

A. Well, all I can state is that I heard a comment at a social event by a member of the staff of Monfort that there was a possibility that they might have to relocate their oldest feed lot within a five to ten-year period. It wasn't a positive statement, but that they felt that with the pollution consideration that is there and with the public interest in pollution control, that that possibility might well exist. But to state that they are in the process of acquiring a site, I think that would be a little premature.

Q. What specific kind of pollution are they referring to, do you know? I don't mean what is causing the problem. I mean what kind——

A. Primarily air. Conceivably there would be some degree of water pollution, but it's primarily air.

Q. Does the First National Bank of Greeley do any business with the First National Bank of Denver's loan production office in Greeley?

A. Yes, we do.

Q. Would you describe the nature of that business?

A. The First National Bank of Greeley tries to work with the loan production office to provide permanent financing for residents of our community on primarily single-family housing. The First National Bank of Greeley does not have a specific real estate loan department.

Q. When you get a request, do you refer it, is that it?

A. We try to, unless we can make it as a conventional loan from our own portfolio.

Q. How long have you lived in Greeley?

A. I was born in Greeley.

Q. Would you describe it as a growth area?

A. I think other than the years I was away at school and in the service, that it has been a stable growth area. And by stable, I mean it has not had the rapid influx over a short period of time. It has been a reasonably steady growth area.

Q. Have there been any recent renovations of your banking facilities?

A. Yes, there have.

Q. Would you describe those renovations just generally?

A. We relocated our accounting and check-processing function to the lower level, which, prior to that time was an undeveloped part of our building. We relocated our installment loan department, added an additional drive-up walk-up facility, increased our parking facilities, relocated our trust department, and redecorated the interior of the bank.

Q. When was this done?

A. It was completed in approximately early 1969.

Q. And why did you undertake these renovations?

A. We needed additional space, and the bank hadn't been repainted and decorated since we moved into the quarters in 1958.

Q. Would you describe your bank as a retail bank?

A. (Conferring with counsel) Could I ask what you mean by "retail"? I will give you my definition in answer to the question.

Q. Fine. Do that.

A. We are a retail bank to a certain degree. We do not consider our agricultural financing and our business financing in the true retail sense of the consumer financing and to what limited degree we participate in consumer loans or

individual real estate loans. Of our total loans I would estimate today that approximately eleven to twelve per cent are handled in our installment loan department.

MR. BRENAN: I have no further questions. I think Mr. Schoepke has some questions.

Q. (By Mr. Schoepke) I don't mean to pursue this ad infinitum, but in Bankers Agricultural Credit Corporation, to the extent you know, is that connected with the federal government in some way? Is it part of an agricultural department of an agricultural program?

A. The government agency that discounts the paper is financed through the sale of agency bonds which are not guaranteed by the federal government.

Q. I see. That's the Federal Discount Agricultural, or the Intermediate——

A. The Federal Intermediate Credit Bank.

Q. Now, it's to that bank then that the Agricultural Credit Corporation takes their paper to be discounted after the loan is effectuated?

A. Yes.

Q. Now, if you know, who charters the Federal Intermediate Credit Bank?

MR. CLOSE: Off the record.

(Discussion off the record.)

THE DEPONENT: Yes, I would have to say it's an agency of the federal government. Well, I can't honestly answer the question from personal knowledge.

MR. LIPKOWITZ: Who charters these Agricultural Credit Corporations?

A. The Federal Intermediate Credit Bank, I'm certain.

MR. CLOSE: Off the record.

(Discussion off the record.)

MR. SCHOEPKE: Back on the record.

Q. (By Mr. Schoepke) Is it necessary, Mr. Eaton, for a bank to be a member of a holding company in order to utilize the service of one of these agricultural credit corporation?

A. You mean to establish such a corporation?

Q. No. If a corporation is in existence, is it necessary that you be a member of a holding company in order to take advantage of it?

A. They do not need to be a member of a holding company if they have the money to capitalize the agricultural credit corporation.

Q. If you had as a correspondent bank a bank which was a member of a holding company which had one of these credit corporations, would you, pursuant to normal banking practices, expect that your correspondent would assist you in discounting your agricultural loans with the Agricultural Credit Bank?

A. I would have to make this assumption, because I would assume that your customer then would have to go directly to the correspondent bank that has the corporation in order to participate in the agricultural credit borrowing. I'm not certain and I don't know the answers to that specifically, whether they could buy the paper from the correspondent and then in turn discount the paper that they didn't originate.

Q. Do you happen to know whether it would be different if you were a member of a holding company, if the originating bank were a member of a holding company?

A. The credit corporation originates the paper.

Q. But the bank does the paper work, as I understand it?

A. The bank will tend to assist in servicing much of the paper work.

MR. SCHOEPKE: No further questions. Off the record. (Discussion off the record.)

MR. BRENAN: Do you have any cross-examination?

MR. METZGER: Yes, I do have one question.

EXAMINATION

BY MR. METZGER:

Q. Mr. Eaton, are you familiar with the lending policies of the First National Bank of Greeley?

A. Yes, sir.

Q. Can you describe to us whether or not First National Bank of Greeley has made any bank stock loans to officers of the Fort Lupton State Bank?

A. We have made loans to officers, but not for the purpose of purchasing bank stock in the Fort Lupton State Bank.

Q. Personal loans?

A. Personal loans and real estate loans.

MR. METZGER: Thank you. That's all.

MR. SCHOEPKE: I just want to ask a few questions.

RE-CROSS EXAMINATION

BY MR. SCHOEPKE:

Q. What rate do you charge?

A. Never below the prime rate at the time the commitment was made, and in some instances a half per cent above the prime rate.

MR. BRENAN: We would just like to note for the record that we continue this deposition to an indefinite future time.

MR. METZGER: Same notice.

(The deposition was concluded at 3:10 p.m.)

.....

REX C. EATON, JR.

Subscribed and sworn to before me this .... day of ....., 19...

My Commission expires _____.

.....

Notary Public

CERTIFICATE

State of Colorado }
City and County of Denver } ss.

I, THOMAS T. TOMKO, Notary Public and Certified Shorthand Reporter, State of Colorado, duly commissioned to administer oaths, do hereby certify that previous to the commencement of the examination of the said REX EATON, JR. said witness was duly sworn by me to testify the truth, the whole truth, and nothing but the truth, and was thereupon interrogated as set forth in the foregoing deposition;

That the said deposition was taken in machine shorthand by me at the time and place aforesaid and was reduced to typewriting under my supervision;

That the foregoing is a true transcript of the questions asked, the testimony given, and the proceedings had;

That after the deposition was transcribed, the same was submitted to the deponent for reading and signing by means of a letter of notification, a copy of which is hereto annexed (that to date there has been no affirmative response by the deponent and said deposition remains unsigned, and the same is filed herewith pursuant to the provisions of Rule 30 e. of the Federal Rules of Civil Procedure);

That I am not attorney or counsel, or in any way connected with any attorney or counsel, for any of the parties to said action, or otherwise interested in its event.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal this .... day of ....., 19...

My Commission expires December 9, 1972.

.....
THOMAS T. TOMKO
Notary Public

NASTER & TOMKO
CERTIFIED SHORTHAND REPORTERS
AMERICAN NATIONAL BANK BUILDING
DENVER, COLORADO 80202

DECEMBER 14, 1970

Mr. Rex C. Eaton, Jr.
Executive Vice-President
First Nat'l. Bank of Greeley
Greeley, Colorado

Re: Depo. of Rex C. Eaton, Jr.
USA vs. First National Bancorporation, No. C-2413, 11-19-70

Dear Mr. Eaton:

Your deposition in the above case is now ready for you to read and sign. Please make an appointment by telephone and come in within the next twenty days, or let us know if you need more time. We will endeavor to make an appointment at a time convenient for you.

The Court rules require that your deposition be filed promptly. If after twenty days we have not heard from you, your deposition will be filed with the Court without your signature.

Very truly yours,

THOMAS T. TOMKO
Certified Shorthand Reporter

cc:

DX-74

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO

Civil Action No. C-2413

UNITED STATES OF AMERICA,
Plaintiff,

vs.

FIRST NATIONAL BANCORPORATION, INC., AND THE FIRST NATIONAL BANK OF GREELEY,
Defendants.

DEPOSITION OF ROBERT M. GILBERT

PURSUANT TO NOTICE AND THE FEDERAL RULES OF CIVIL PROCEDURE, the deposition of ROBERT M. GILBERT, president of the defendant The First National Bank of Greeley, was taken by the plaintiff at 10:00 a.m. on Thursday, November 19, 1970, in the trust department conference room of the First National Bank Building, Denver, Colorado, before Thomas T. Tomko, Notary Public and Certified Shorthand Reporter, State of Colorado.

The Plaintiff appeared by HERBERT G. SCHOEPKE, KEVIN D. BRENAN and EUGENE V. LIPKOWITZ, Attorneys, Department of Justice, Anti-Trust Division, Washington, D. C.

The Defendants appeared by EDWARD B. CLOSE, JR. of Hughes and Dorsey, Attorneys at Law, First National Bank Building, Denver, Colorado, and EUGENE J. METZGER and CARL W. SCHWARZ of Metzger, Schwarz & McKenna, Attorneys at Law, One Farragut Square South, Washington, D. C.

Also present, Messrs. Rex C. Eaton, Jr. and Alejandro M. Gillespie.

* * *

ROBERT M. GILBERT, the deponent herein, called by the plaintiff, having been first duly sworn, was examined and testified as follows

CROSS-EXAMINATION

BY MR. SCHOEPKE:

Q. Would you state your name for the record, please.
A. Robert M. Gilbert.

Q. Mr. Gilbert, where do you reside?

A. 1506 47th Avenue, Greeley, Colorado.

Q. And what is your present principal occupation?

A. President of the First National Bank, Greeley, Colorado.

Q. And for how long have you been president of the First National Bank of Greeley?

A. May 1, 1963.

Q. You have never been connected with the Greeley National Bank?

A. I never have. A minor stockholder.

Q. Mr. Gilbert, just as a starter, if you would trace your career starting, let's say, from your graduation from college and how it came about that you went into the banking business?

A. I graduated from the University of Colorado Law School in 1938 and was admitted to practice in Colorado in the same year, and I returned to Greeley where I started a practice and continuously practiced except for war service in World War II until May 1 of 1963, when I was asked to become president of the bank. I had gone on the Board of the First National Bank in Greeley in 1958.

Other than my experience as a Board member, I had had no banking experience until I became president of the bank on May 1.

Q. And you have occupied the position as president ever since 1963?

A. Yes.

Q. Mr. Gilbert, I would like to direct your attention to Defendants' Answers to Interrogatory No. 50 which is concerned with the major stockholders of the First National Bancorporation, Denver, and the First National Bank of Greeley. And I notice that listed as holding approximately 14,000 shares of the First National Bank of Greeley, constituting about 9.37 per cent of the total shares, is the Monroe Corporation. Are you familiar with the Monroe Corporation?

A. Yes. It's a Colorado corporation wholly owned by my wife and myself.

Q. There are no other owners besides you two?

A. No.

Q. Are there any other members of your immediate

family that own stock in the First National Bank of Greeley?

A. No.

Q. How about your brother, does he own any stock?

A. No. Well, excuse me. I was thinking of my immediate family. My brother is a minor shareholder in the First National Bank of Greeley.

Q. Do you know offhand how many shares he owns?

A. I think in the neighborhood of 300 or 400 shares.

Q. And what is your brother's name?

A. Carson C. Gilbert.

Q. Now, in the same Interrogatory Answer No. 50, the Monroe Corporation is listed as owning 13.33 per cent of the Fort Lupton State Bank, is that correct?

A. Yes.

Q. How did it come about that the Monroe Corporation acquired 13.33 per cent of the Fort Lupton State Bank?

A. Jack Dalton, who was the chairman of the board of the Fort Lupton State Bank, called me and said he wanted to sell approximately 400 shares of the bank at that time and wanted to know if I was interested in buying. He later changed his mind and said he only wanted to sell a hundred shares, and I decided to purchase it.

Q. When you say "I," are you referring now to Robert Gilbert or to the Monroe Corporation?

A. No. I'm referring to the Monroe Corporation.

Q. Does 400 shares represent 13.33 per cent? That was your only purchase, is that correct?

A. Yes. They had a stock split some time ago. I'm not sure of the details of the split.

Q. Do you recall the approximate time that the Monroe Corporation purchased this interest in the Fort Lupton State Bank?

A. I can't be accurate. I can get it for you quickly, but it was approximately three years ago, I think.

Q. And the stock split?

A. That occurred about a year ago, I think, last January.

Q. Would you refresh my recollection? I believe you mentioned this, but how many shares did you originally buy?

A. I thought it was a hundred shares and I thought the split was two for one, which would make it 200. But I'd have to check my records to be accurate on it.

Q. Would you do that for us?

A. Yes.

Q. Now, when you were first approached about the possibility of purchasing on behalf of Monroe Corporation this stock in the Fort Lupton State Bank, how long was it between that first approach and the time that you actually purchased the stock?

A. A relatively short period of time. I can't tell you exactly. There was a further relationship which led to my being asked to purchase. Mr. Rhoades formerly owned the bank, and Mrs. Rhoades was a relation, a distant relation, of my wife. And consequently there was an old distant family relationship involving my wife and Mrs. Rhoades that had gone on for years.

Q. Was that the only reason that prompted you to buy the stock?

A. Basically, yes.

Q. Were any economic reasons concerned with the condition of the bank or the growth of the area?

A. No. Mainly I think when Mrs. Rhoades died, Mr. Dalton, who was her son-in-law, I think he needed some money, and it looked like an advantageous purchase to me, and I decided to go into it.

Q. Well, why did it look like an advantageous purchase to you?

A. Well, as I recall, the purchase price was about book or slightly—it was about book. It didn't pay dividends, which was an attractive feature to me at that time, and it just looked like an advantageous purchase. Also at that time I think they were our only correspondent account, and I thought it wise to have that kind of a relationship with the correspondent bank.

Q. You made reference to the book value. Had you investigated the past history of the book value of the bank?

A. Very little. No detailed investigations. Merely by looking at their annual statements.

Q. Well, were you familiar with their book value?

A. Only through a perusal of their annual statements.

Q. Well, from that perusal, did you reach a conclusion as to whether the book value was going up during the period of your perusal or going down?

A. I bought it fairly quickly. I was only generally familiar with the profit record of the bank. Well, based

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purely on the balance sheet and the required statements, it appeared to me that it was selling at about book value and it looked advantageous in that respect.

Q. What did you know at that time about the profit record of the bank?

A. Again, only what I had learned from examining their annual statements or their regular file statements. It looked like it was well run. Bill Burns was the president of the bank at that time and still is. It looked like it was a well run bank and it was making reasonable profit.

Q. Was it growing in deposit size?

A. Slightly. Not a great deal. But it was growing some.

Mr. Schoepke, if I may go back to your question on the number of shares, on October 10, 1967 I purchased 100 shares at $350 a share. And on February 4, 1970, there was a two-for-one split. So I received an additional 100 shares. So the information in the Interrogatory is in error. It's 200 shares of stock which I owned.

Q. So the number 400 is incorrect?

A. Yes, it is.

Q. But does 200 constitute 13.33 per cent of the shares?

A. As I recall, there were 15——

MR. SCHOEPKE: Why don't we go off the record.

(Discussion off the record.)

Q. (By Mr. Schoepke) Now, I would like to direct your attention to Interrogatory Answer No. 32, Mr. Gilbert. That is the one indicating people who participated in the discussions leading up to the agreement between First National Bancorporation and First National Bank of Greeley, whereby First National Bancorporation would acquire Greeley as a member of its holding company. And one of the persons listed as having participated in those meetings was Robert M. Gilbert, president of the First National Bank of Greeley.

Would you tell us how did it come about that negotiations or contact was first made with the First National Bancorporation of Denver?

A. We had previously negotiated with the Colorado National Bank and arrived at proposals that were unacceptable to our board. And having known Mr. Gene Adams, president of the First National Bank of Denver, casually in school, in college, I asked the board for permission to con-

tact him and see if they were interested in some kind of an affiliation relationship.

Q. Now, how did you contact Mr. Adams?

A. By telephone.

Q. And would you tell us, to the best of your recollection, when you called him on the telephone, what you said to him and what he said to you?

A. It's been quite a while ago, and I'm hazy. But I think I told him that we were interested in exploring the possibility of an affiliate relationship in a holding company and wondered if their bank was interested. It was a very brief conversation, as I recall it. And I told you earlier I think it was a telephone call. I think it was, although it could have been that I called on him in Denver here. I'm not sure on that, Mr. Schoepke, but it was a very relatively brief conversation.

Q. Did you tell him why you were interested in an affiliation?

A. I don't recall, but I don't believe so.

Q. And what did Mr. Adams say at that time?

A. He was noncommittal, as I remember. He said that they would certainly bring it up before their people and get back to me as soon as he could.

Q. And what was the next contact you had with anyone from the First National Bancorporation concerning this matter?

A. Again, I'm a little hazy, but I believe Gene called me back and said that Bruce Alexander with their bank and Ted Close would call me and make an appointment. In any event, Mr. Close and Mr. Alexander did set up an appointment. They came up to Greeley and met with me and then met with Mr. Eaton and myself several times, two or three or four times.

Q. Now, at that first meeting that was held in Greeley, I believe you indicated it was Mr. Bruce Alexander and Mr. Ted Close. Do you recall a discussion that took place at that particular meeting?

A. In a general way.

Q. To the best of your recollection, what did you say to them and what did they say to you?

A. As I recall, I told them that we had recently determined that we were not satisfied with proposals made by the Colorado National Bank; that our board was interested

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in exploring the possibility of becoming a member of a holding company; that if the First National was interested by reason of the name, the joint names, the First of Greeley and the First of Denver, we were interested in exploring it further with them and seeing if we could arrive at any kind of an agreement.

A meeting was held at my home. Their response, I think, was mostly eliciting general information at that time, rather general information on our makeup of our bank, capital, surplus, loans, just general information relating to the bank, the number of our directors and who they were. The information was of a very general character.

Q. Now, you stated a moment ago, I believe, that you told Mr. Alexander and Mr. Close that your Board of Directors had determined to seek an affiliation with a holding company. When did your board first come to the determination that they wished to consider the possibility of affiliating with a holding company?

A. In February or March of '69 after Eaton and myself had met with the representatives of the Colorado National Bank and reported back to the board. The board then authorized me, in a very general way, to contact Mr. Gene Adams, president of the First National Bank of Denver, with no specific authority, other than to determine whether or not there would be any grounds for affiliation with that bank.

Q. I'm not referring now at the moment, Mr. Gilbert, to your specific contact with First National Bancorporation. I'm referring to the time that your board first considered and decided to look into the possibility of affiliating with the holding company.

MR. METZGER: With a holding company?

MR. SCHOEPKE: Yes. Well, I believe he made that statement in one of his answers a while back.

A. You mean with the First National Bancorporation or with any holding company?

Q. In reference to a statement you made, that your board had considered affiliating with a holding company. I'm just trying to go back to the time when you first decided in general to consider affiliation with a holding company.

MR. METZGER: With a holding company?

MR. SCHOEPKE: Yes.

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A. This, to the best of my knowledge, would have been back in probably, oh, the middle of 1968, in July, August, about that time, when the board authorized us to explore holding company affiliation possibilities with the Colorado National Bank of Denver.

Q. Now, was this authorization given to you at a board meeting?

A. I can't recall for sure, but it probably was. It's probably somewhere in the minutes. I didn't prepare very much of the material, but I assume it was. Off the record.

(Discussion off the record)

MR. METZGER: I would like to correct the record on the Answer to Interrogatory No. 50. You had been advised by Mr. Gilbert that he purchased 100 shares on October 10, 1967. The American Bank Directory, spring edition for 1970, which lists year-end capital posture, indicates a capital of $150,000 at a $100 par. That would be 1500 shares, which would have given Mr. Gilbert 6.67 per cent of the outstanding stock of the Fort Lupton State Bank. The stock split on February 4th, 1970 would have increased the holding by 100 shares. So it would have retained the same percentage of ownership, namely, 6.67 per cent.

MR. SCHOEPKE: Then by stipulation we will correct Interrogatory Answer No. 50.

MR. METZGER: On this subject, Mr. Gilbert, do you know how many directors there are of the Fort Lupton Bank?

A. I can't tell you, Gene. There are four, I believe.

MR. METZGER: Are you one of them?

A. No, I'm not. Mr. Dalton, the chairman of the board, Mr. Burns, and one other that I can't remember. I believe there are either three or four.

MR. METZGER: Do you vote your stock?

A. I send in a proxy.

MR. METZGER: For these directors?

A. Do you want this in the record, who the directors are?

MR. METZGER: No. Just the number of them, the Fort Lupton State Bank.

MR. SCHOEPKE: Do you want to go off the record?

MR. METZGER: The Fort Lupton State Bank has as directors, W H. Burns, J. H. Dalton, C. F. Greene, L. H. McCain and J. L. Sears.

THE DEPONENT: I have never attended an annual meeting or solicited any directorship in the bank.

MR. METZGER: That's all I have.

Q. (By Mr. Schoepke) Going back now, Mr. Gilbert, to the time that your board first authorized you to explore the possibility of affiliation with a holding company, do you recall the substance of the discussion on this matter prior to the authorization? To the best of your recollection, could you tell me what you said and what those present said?

A. Now, is this on the affiliation with the First National Bank or the bank before that?

Q. The bank before that, when the idea of affiliation with a holding company first was considered by your board.

A. The initial thought of discussions were generated by conversations emanating from Melvin J. Roberts, who was president of the Colorado National Bank. It could have been back as far as 1964 or '65, in very general and casual conversations. Nothing specific. As I recall it, there was reference to the fact that maybe we ought to give some consideration to the two banks sitting down and talking about it. Nothing specific was ever done until sometime in the middle of 1968.

Q. Just so that I get my time frame correct, in mid-1968, the decision of the board to explore the possibility of a holding company was prompted by the contact that you then had with the Colorado National Bank on the subject?

A. Yes.

Q. I was going to go into that later, but as long as we keep getting back to it, maybe we can cover it now.

Could you tell us how the matter of possible affiliation with Colorado National Bank first came up, other than those casual conversations that you mentioned, in '64 and '65.

A. I think——

MR. METZGER: You mean how did it first come up other than when it first came up?

MR. SCHOEPKE: Well, he said there were casual conversations.

After 1964 and 1965, when did the matter next come up?

A. In July or somewhere mid-1968, Mr. Roberts was asking for more specific information. I think Mr. Eaton

might be able to remember this. But I think Charlie Baird, their trust officer and vice-president of the bank, I believe, came up and began to request more specific information as to our earnings, the general operation of the bank. And this was followed by one or two conferences in Denver, where Mr. Rex Eaton and I, still in rather general terms, discussed it further with Mel Roberts and some of his people.

Q. Well, after your casual conversations with Mr. Roberts in '64 and '65, did nothing happen between then and the time when these gentlemen from Colorado National Bank came up and started to ask for more specific information?

A. No. We had gotten to the point where Mr. Roberts invited Mr. Eaton and I to Denver to attend a fairly formal meeting where they, for the first time, made specific proposals as to an exchange ratio and went over in some detail the relative statements, balance sheets of the bank. And it was at this point, as I recall it, that any specific proposal was first made. And this was probably in February, as I recall, January or February—probably February of 1969.

Q. Did Mr. Roberts or any other person from Colorado National Bank tell you why they were interested in acquiring First National Bank of Greeley?

A. Only that he felt and stated to us that he thought a holding company relationship obviously was going to be the way that the banks were going to extend their area of operations over the state; that he didn't feel that the branch-banking law in the State of Colorado was going to change very rapidly. By that time, of course, the Denver U. S. National Bank, now the United Bank, had begun its series of acquisitions, particularly the one in Greeley. I think he just felt that it was a beneficial thing for the banks, to propose an affiliation.

Q. Did the fact that Denver U. S. Bancorporation had acquired the Weld County Bank have any bearing on the decision of your board to consider affiliation with a holding company?

A. I think so. Other than what our board expressed, I can't fathom what each member had in his mind, but I think, yes, they were.

Q. Give us the substance of the conversation.

May the record show that Mr. Metzger is whispering to the witness again.

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MR. METZGER: If the record may also show that Mr. Schoepke has been whispering with his co-counsel, for whatever both representations are worth.

MR. BRENAN: We are not being deposed.

MR. METZGER: More is the pity, sir.

A. I think our board obviously began to consider the benefits and the advantages of holding company relationships with the prime example of the Weld County Bank having joined the Denver U. S. National Bank at this time. We began in management primarily but in board meetings also to be more cognizant of what the banking relationship in the State of Colorado was beginning to be. We began to explore the proposed advantages of branch—I mean of the holding company concept. Part of it, and most of it, Mr. Schoepke, probably emanated from management, Mr. Eaton and myself in the early discussions.

Q. Well, the fact that the Weld County Bank had affiliated with Denver U. S. was a factor that prompted you to consideration affiliation yourself, is that not so?

A. I'm sure it led us to go into the concept of this more deeply than we had before. We began to explore the advantages of this type of relationship as far as personnel, advertising, diversification of our stockholdings so our stock would have a more ready market. We began to be aware and cognizant of this type of advantage.

Q. Well, why did the particular acquisition of the Weld County Bank by Denver U. S. prompt you into considering these other factors that you took into account?

A. Well, it really didn't. I think, as I said, the impetous came from the Colorado National Bank. This brought our decision—brought our thinking to a head, where we began to give serious thought to whether or not we wanted to form this type of relationship with anyone.

Q. Now, after you and Mr. Eaton came to Denver and talked to Colorado National Bank, what if anything occurred with respect to this matter of possible affiliation with the Colorado Bank shares after that?

A. After we returned from this meeting with the Colorado National Bank in Denver, we reported to our board, and the board, as I recall, made a determination at that meeting that this proposal was unacceptable, and instructed us—instructed me, particularly, to go into the further possibility of a relationship with the First of Denver.

Q. Could you tell us why the proposal of Colorado CNB Bankshares was unacceptable?

A. One of the main reasons, I think, was that the board felt there was a broader diversification and a more ready market for the First National Bancorporation stock. Another obvious reason was that the financial proposals that had been made by the Colorado National Bank were completely unacceptable to the board.

Q. You mean the exchange rate?

A. Yes, the exchange ratios. I think that further consideration was the one I mentioned before, that we were the First of Greeley and they were the First of Denver. The name affiliation was of some importance. I suppose the board attached some significance to the fact that the First of Denver, as a commercial bank, had wider contact over the Rocky Mountain area than the Colorado National Bank had.

Q. I believe you stated in your last answer that the board had considered that there was a relatively ready market for the stock of your bank.

MR. METZGER: I don't think the witness made such a statement.

MR. SCHOEPKE: Could you read that last answer, the beginning of it?

(Record read)

Q. (By Mr. Schoepke) Now, Mr. Gilbert, with respect to your previous answer a moment ago, that the board was of the view that there was a more ready market for the First National Bank of Greeley stock——

MR. METZGER: Counsel, that is the same thing. That isn't what he said. What he said was there was a ready market for the First National Bancorporation, not the First National Bank of Greeley.

A. Yes.

Q. (By Mr. Schoepke) The First National Bank of Greeley?

A. Yes.

Q. I'm sorry. Well, then, at that time did you consider affiliation with any other holding company in the State of Colorado?

A. No, we didn't.

Q. And could you give us the reason why you didn't explore any further than First National Bancorporation of Denver?

A. I think partly because—mainly because no one else made any specific proposals, and probably secondarily, that we had already met with the Colorado National Bank people. We at least were exposed to their approach on their idea of affiliating and the exchange ratios. I think with theirs and with the First of Denver, we felt that we had at least some exposure to the proposals that were made by these two bank holding companies, and we had a general knowledge of what was equitable and what was fair.

Q. Well, in point of time, you mentioned both your contact with Colorado CNB and First National. Were you in communication with both Colorado CNB and First National concerning the possibility of acquisition at the same time, or was there an overlap of time there?

A. Yes, to some extent, but only in this regard: I felt, and I think Mr. Eaton did too, a moral obligation to the Colorado National Bank to advise them that we were negotiating with the First of Denver. I very definitely at least did not want this to be based on a bidding situation, and it was not. At the same time, I thought I owed—we felt that we thought we owed the Colorado National Bank a moral obligation of advising them that we were discussing the proposed affiliation with the First of Denver.

Q. Now, do you recall when you first advised the Colorado National Bank that you were negotiating with First National Bancorporation.

A. To the best of my recollection, I think probably after we had had two or three meetings with the First of Denver. Now, wait a minute. I'm not sure, Mr. Schoepke. But it was shortly after we had met with the First of Denver.

Q. Did you at all indicate to Colorado National Bank any terms that had been proposed to you by First National Bancorporation?

A. I don't believe so.

Q. Do you recall how soon after your first contact with First National Bancorporation the Colorado CNB made the offer that you indicated your board was dissatisfied with?

A. CNB Bankshares made the first proposal to us, and after our board had declined that proposal, it wasn't until

then that we began to negotiate with the First of Denver. It was months after.

Q. But there was an overlap? You continued to be in communication with the Colorado National Bank?

A. I guess I get the drift of that question. As I recall, after a short time after our meeting, our first meetings with the First of Denver, I advised Mel Roberts, I believe by phone, that we were negotiating and had met with people from the First of Denver and that I thought he should know that. In point of time I would guess it was within two weeks after we had first talked to the First of Denver.

Q. Well, how did Mr. Roberts convey to you the offer of Colorado CNB with respect to acquisition?

A. Verbally at the meeting which Mr. Eaton and I attended in Denver, sometime early in 1969, February, I believe.

Q. Well, when did you indicate to him that that offer was not satisfactory?

A. I think I advised him within a week or two weeks that our board was not satisfied with the proposal and that we weren't willing to give him any positive answer on it.

Q. Did you at that time indicate to him whether you had received any positive proposal from First National Bancorporation?

A. I think in point of time I advised him, first of all, that our board was not satisfied, and I think this was prior to any negotiation with Mr. Adams, although this followed almost shortly after that.

Q. Did you indicate to Colorado CNB or to Mr. Roberts or any other officer that you might consider a better offer from them, or did you just turn it down flatly?

A. I don't think I put it that way. I think, obviously, the point of notifying him that we were dealing with somebody else was to give him an opportunity to do anything they wished to do. We had had a long and pleasant correspondent relationship with them and we felt this was only decent.

Q. Did Mr. Roberts indicate to you that his bank or his holding company might be interested in reconsidering making a different offer?

A. No, I don't believe so.

Q. The matter ended right there?

A. Yes, except that I kept him apprised of what we were doing.

Q. Now, this brings us back then to the negotiations with First National Bank of Denver or First National Bancorporation of Denver. I would like to go back then, if I may, to the meeting that you described as having taken place at your home, when Mr. Alexander and Mr. Close came to see you. Could you tell us what if anything occurred at that meeting?

A. Well, I can't recall whether Mr. Eaton was there or not. He was at most of the meetings. But at the first meeting, as I recall, we discussed in very general terms the possibility of a proposed affiliation. As I said earlier, we went into general areas where we might be of benefit to each other. I think they described some of the areas in which they thought they could be useful and helpful to our bank, into the area that we were serving, this sort of thing, basically, and whether or not we felt that our—we had arrived at an exchange ratio that our two boards would accept. It was this type of discussion mainly.

Q. Did they indicate to you why they felt your bank could be of advantage to their organization?

A. Only in general ways. We had had an account relationship with the First of Denver prior to the time our charter was granted. They were our oldest affiliate relationship. We had always had a close relationship with them, although our main correspondent was Colorado National Bank. I think they felt, because of the relationship, the overlines that they serviced for us, that this was a logical affiliation.

Q. Well, did they say nothing at all about their program, if any, for state-wide expansion and where your bank would fit into that?

A. Very little as I recall it. We got into practically no discussion at all about future acquisitions. I think they generally said that they intended to embark on a program of acquisitions. I think we had the feeling at that time, Mr. Eaton and I, that maybe they were a little behind the Denver U. S. in aggressively promoting new acquisitions, but they really didn't discuss with us any specific proposals, as I recall.

Q. Did you talk at all about Greeley as a community?

A. Yes.

Q. What was discussed with respect to Greeley?

A. Well, again, I think Mr. Alexander particularly was pretty well acquainted with Greeley. They handled all the lines for our bank as well as, I think, both of the other large banks there. Mr. Close was representing the First in a legal capacity. I don't think he was so familiar, but we generally discussed Greeley, what we thought about its potential growth, what part we thought our bank would play in that growth, that type of conversation.

Q. You have lived in Greeley most of your life?

A. All my life except when I was in the service.

Q. And would you describe Greeley as a growth area or stable area or a declining area?

A. In my judgment, it has always had a steady and consistent growth. It hasn't been by splurges like Boulder, for instance, or Fort Collins more recently. Greeley has always enjoyed, as a center of agricultural area, a steady, slow, progressive rate of growth.

Q. Now, the Answer to Interrogatory 32 indicates that there were a series of meetings in Greeley. And I wondered if what you have been testifying about covers this series of meetings or——

A. Generally, I think we have.

Q. Can you delineate specific instances in terms of specific meetings?

A. As I recall, we had three meetings at my home with the people, or most of the people, that we have advised you of. We would meet in the morning. My wife would prepare a lunch. And then we would discuss the affiliation a little later in the afternoon. And I think, to the best of my recollection, we had three of those meetings at my home. I think it was at the third meeting that an exchange ratio was proposed to us.

Q. And when the exchange ratio was proposed, what if anything did you do?

A. We conveyed it to our board at the first opportunity. I don't recall when that was. But we meet twice a month, approximately every two weeks, and we conveyed it to them and got their reaction to it.

Q. And what was the board's reaction?

A. At that time the board's reaction was that it was a favorable alliance with an old and trusted correspondent. I think they were enthusiastic about it.

Q. So that you accepted the first offer that was made by First National Bancorporation?

A. I think that's correct.

As far as the board is concerned, Mr. Eaton and I in our discussions with Mr. Alexander and Mr. Close and Mr. Fitzgerald, who was there at one meeting, I think we discussed the various proposals that were made. No, I don't think it's correct to say that we accepted the first proposal made. Our board may have, but I think management, Mr. Eaton and myself, deliberated with them and discussed various things.

Q. And these discussions took place over this series of meetings in your home?

A. Yes.

Q. But ultimately it culminated in the offer that was made by Mr. Alexander which you conveyed to the board?

A. Yes.

Q. And did you recommend your approval to the board?

A. Yes. Mr. Eaton and I both recommended acceptance of it.

Q. Now, while you were having this series of meetings with Mr. Alexander and Mr. Close, did you advise your board of the fact that these meetings were taking place?

MR. METZGER: I believe the witness has already testified that he actually received approval from his board previous to negotiating.

MR. SCHOEPKE: Well, this goes beyond that.

As you were conducting the negotiations which the board had authorized to conduct, did you keep your board advised?

A. Yes, but we never called any special meetings, to the best of my knowledge. And when the boards met, we advised them of what had happened and what had taken place.

MR. SCHOEPKE: In this respect, may we have the minutes of the board, at least those portions concerning these negotiations during this period?

MR. METZGER: On this question, counsel, I have examined, since you first raised this point at this deposition, the Interrogatories under the Rule 34 motion filed, and I am unable to ascertain what paragraph you feel these come under. I did not see anything which I would have interpreted as calling for such documents. We have no

desire to withhold anything from you, but we are of the opinion that your Rule 34 motion as framed to date does not call for documents of this class. I would be happy to supply you with such material on a subsequent or an informal basis, or I would be happy to discuss with you any paragraph which you feel relates to it. But we do feel that we have complied fully with the Rule 34 motion as framed.

MR. BRENAN: In that compliance, you gave us board meetings of the First National Bancorporation discussing this merger.

MR. METZGER: Because board meetings of the First National Bancorporation were specifically asked for at our meeting in the board room of the First National Bancorporation on the twelfth floor of this building. We discussed that as a specific request, and it was specifically complied with.

MR. BRENAN: At that time I thought we also asked for the same thing from the First National Bank of Greeley.

MR. METZGER: No. As far as I know, the First National Bank of Greeley has answered.

MR. SCHOEPKE: Well, we will file a supplemental request.

MR. METZGER: That will not be necessary, Mr. Schoepke. All I wanted to make clear for the record was that we at this point do not feel we have to.

MR. SCHOEPKE: I am not in a position to technically concede or deny that fact.

THE DEPONENT: If you do want it though we'll get it for you.

MR. SCHOEPKE: Subject to Mr. Metzger's discussion.

MR. METZGER: I will discuss that with Mr. Schoepke.

MR. SCHOEPKE: Let's take a short break.

(Recess)

Q. (By Mr. Schoepke) Mr. Gilbert, in your Answers and also in some of the documents that were produced pursuant to our Rule 34 motion, we gather that First National Bank of Greeley has had occasion in the past to consider the organization of affiliate banks. And in this connection I would direct your attention to the application submitted for the proposed new bank in west Greeley. Now, this was in 1963?

A. Right.

Q. I wonder, could you tell us how it came about that

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you undertook to file an application for a bank in west Greeley or the western part of Greeley?

A. As you just said, it was done in 1963. I had come into the bank on May 1 of '63. I think Mr. Eaton and the former president of the bank, Mr. Birch, were aware of the fact that our chief competitor, the Greeley National, had already acquired one affiliate, the Cache National Bank, and were aware of the fact that they have either had or were about to apply for a charter in the same general area. I think this brought it to a head and prompted us to make our application.

Q. Why did you pick this particular area?

A. The growth trend in the Greeley area, outside of the southern part of the city, seemed to be the western part of the city. That was basically the reason for picking that site.

Q. Had you reached any conclusion as to how you were going to finance this new bank?

A. Yes. We had polled our board to see whether they would take stock in the new bank in the same ratio as they held stock in our bank. And they had general agreement that the board members would be willing to contribute stock in that same ratio.

Q. Did your board members own more than 50 per cent of your stock?

A. No, our board did not and does not.

Q. Well, then, I'm just wondering, did you misspeak yourself. If your board members agreed to take the same proportion of stock in the new bank, they wouldn't have control of it, would they?

A. No. We felt that if we were willing to do this, that our shareholders would probably go along in sufficient numbers to accomplish the capitalization of the new bank.

Q. I see. Did you ever present a proposal to the stockholders?

A. No, I don't believe we ever did. Mr. Eaton could check me on this, but I don't believe we ever did.

MR. METZGER: As a technical matter, Mr. Schoepke, a new charter doesn't get to that stage until after it has been approved by the agency, board actions, agency approval, stockholders approval.

Q. (By Mr. Schoepke) Now, you mentioned that your

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competitor, the Greeley National Bank, had an application pending there. To refresh your recollection, on page 24 of the application, it is indicated that there was also an application pending in that general area by a new bank to be known as the Columbine State Bank, which was to be an affiliate of Weld County Bank. Does that refresh your recollection?

A. Yes. But I don't believe that was in the same general area. I think that came later and was for approval to operate in a different area, generally, on south of our bank about five blocks and almost due south of our bank. I don't think it was in the same general area.

Q. Well, I gather that your application was disapproved?

A. Yes, it was.

Q. And the application presented by Greeley National Bank was approved?

A. Yes.

Q. Do you happen to know why that decision was made?

A. We never had any specific reason from the regulatory authorities. We had gotten some kind of information that it was because they were the first to file in point of time. I don't know whether that was the reason or not.

Q. Now, did you ever have occasion thereafter to consider the organization of an affiliate bank?

A. No, not really. We have considered early this year at the request of one of our directors who was promoting a shopping center in the south part of this city the possibility of acquiring a site for a bank. And, of course, this would then lead to the consideration of whether we would apply for a charter in that area. But it never has gotten to that point yet.

Q. Have you conducted any economic studies?

A. Yes, we had one made early in this year by Small and Cooley, I think it was, the same people who had done some work for us back in 1963.

Q. Well, now, was this study made by Small and Cooley conducted in connection with this particular possibility of a bank in the shopping center that your director was promoting?

A. Primarily for two reasons: one, to determine whether or not they thought this was a feasible and logical site for a new bank; and secondarily, whether or not the market capacity was there. So it was, in part, a feasibility study

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on location and also on whether or not they thought there was sufficient market to be generated to make a bank profitable.

Q. Well, now, could you tell us what the present status of the matter is concerning the possibility of organizing a bank in this shopping center which one of your directors is promoting?

A. Yes. An option was taken in the name of the Monroe Corporation, as I have advised which is a wholly-owned corporation of my wife and myself, purely for convenience, and not by our board but by the men who made up the board in their individual capacity. That option was taken and has been assigned verbally to the First National Bancorporation. It has not been exercised. And under its terms it does not have to be until some time in June of 1971. And then there is some provision, I believe, for an extension after that time by small payment.

The further status of it, to bring you up to date, is that our option and our determination of whether to exercise our option depended on the offeror giving us certain things, and one was the firm lease from Montgomery Ward; the second was the beginning of a development of residential area to the west of it, surrounding it. And there were a couple of other conditions, none of which have yet been met. At the last report it appears unlikely that Montgomery Ward is going to be there. So that at the present moment, we don't know what the situation is.

Q. Would you tell us where in Greeley this proposed shopping center is located?

A. Yes. The site that we have under option is the southeast corner of 23rd Avenue and the US 34th by-pass.

Q. And approximately how far is that from the First National Bank?

A. Our bank is located on 9th Avenue and 11th Street. This is 23rd Avenue. 14 blocks west and 19 blocks south.

Q. What are blocks in Greeley?

A. A block is usually 400 feet. So it's 14 blocks west and 19 blocks south of our present location.

Q. Would you say about two or three miles?

A. Yes, about two or three miles.

MR. SCHOEPKE: Off the record.

(Discussion off the record.)

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Q. (By Mr. Schoepke) Now, this question of an option for a new bank, was that discussed at all with the board of directors of the First National Bank of Greeley?

A. Not as a board of directors. Usually after a board meeting we would discuss it as individuals. We did not discuss it with the board.

Q. But did you discuss it with the other directors as individuals?

A. Yes.

Q. Now, could you tell us why it was that the option was negotiated in the name of the Monroe Corporation?

A. Purely convenience. We did not want our competitors to know that we were taking—that the bank was taking an option. The Monroe Corporation is a relatively unknown entity.

MR. METZGER: Up to now.

Q. (By Mr. Schoepke) So I take it you wouldn't like it if we went around Greeley telling all about the Monroe Corporation?

A. It isn't publicly known. It's publicly known to our competitors by now.

Q. Well, if it is, it's not through us.

Now, are you familiar with the general economic condition of this area on which you have the option?

A. Yes, generally.

Q. Do you anticipate that it's going to be an area of growth in Greeley?

A. In my opinion, not without the concurrence of those conditions that I just enumerated. And only then if it becomes a major type shopping center. If it's a small neighborhood shopping center, I don't anticipate a great deal of growth in that general area.

Q. You are familiar, of course, with the Monfort feed lots?

A. Yes, sir.

Q. Are you at all familiar with their future plans with respect to location of their feed lots?

A. Not specifically. I note generally that they have constructed a new lot generally west of La Salle, west and a little south of La Salle, which would handle, I suppose, 150,000 head. And I have heard rumors that they may

move their north lot to that location, but I only have hearsay knowledge.

Q. Where is La Salle located?

A. La Salle is about three and a half, four miles south of Greeley on the Denver highway.

Q. Does Monfort have an account with your bank?

A. He has one. Monfort Packing Company, I believe, has one account with us, and they are a relatively dormant and inactive account.

Q. Does he have any loans outstanding?

A. We have had a loan with them at various times, and I believe they are using the loan commitment at the present time.

Q. But you have not discussed with him or with the Monfort organization directly the future plans and location of feed lots?

A. No, I have not.

Q. Do you know if anyone in your organization has?

A. Mr. Eaton is well acquainted with him and might have some information.

MR. METZGER: If that lot is moved to this location we're talking about now, you can forget the shopping center.

MR. SCHOEPKE: Maybe you ought to talk to Mr. Monfort.

Q. Mr. Gilbert, I would like to direct your attention to Interrogatory Answer No. 40. I note from that answer that on January 25th, 1966, First National Bank of Greeley increased its capital from 1,000,000 to 1,200,000, and its surplus from 1,000,000 to 1,300,000. Could you tell us the reason for that action?

A. Let me just look at this a moment. This was our undivided profit account which had reached a rather high level, and we thought it was just wise to make a transfer into capital. And I think also at the time we discussed the fact that it did increase our lending capacity, not significantly, but to some extent.

Q. All right. And I notice also that on November 23rd, 1967, again the surplus was increased from 1.3 million to 1.5 million. And I wonder if I might ask the same question with respect to that.

A. The same reason. Neither transaction was a result of any regulatory request for authority. It was simply that

our retained earnings account was high and we transferred it in, and it did increase our lending limit to some extent.

Q. And on February 23rd of 1968, there is a similar increase in capital from 1.2 million to 1.5 million. Does the same answer apply to that?

A. Yes. That was on February 23rd, wasn't it?

Q. February 23rd, 1968.

A. Yes.

Q. Now, Mr. Gilbert, coming from where you do, I take it you are familiar with agricultural loans.

A. Yes, not as thoroughly as our executive vice-president, Mr. Eaton. In a general way, yes, I am.

Q. Are you familiar with these agricultural credit corporations such as the kind that we asked Mr. Alexander about yesterday? I believe you were present.

A. Yes.

Q. And as is described in the application submitted to the Federal Reserve Board in connection with the proposed acquisition, are you familiar with these agricultural credit corporations?

A. Yes, I am in a broad way.

Q. Now, with respect to the agricultural credit corporation that is mentioned in the application, is that a specific part of the agreement between the First National Bancorporation and the First National Bank of Greeley that such an agricultural corporation be formed?

A. No, it is no part. It was agreed generally that this would be advantageous to our area, to the people we served, if we could provide additional capital particularly during the tight-money period that we just experienced. But the agreement is not conditional upon either party doing this.

Q. On the basis of your knowledge of the banking business, do you know whether there are any other such agricultural credit corporations doing business in your area?

A. Yes, I believe there is a High Plains Credit Corporation that used to operate out of Grover, Colorado, which does still, I think, in conjunction with that bank and also with the Fort Morgan Bank. And I believe there is one operating in some relationship with the South Platte National at La Salle. But I can't tell you for sure what it is or whether it's still in existence.

Q. Do you know of an organization in your area by the name of Bankers Agricultural Credit Corporation?

A. I'm not familiar with it unless this is the one that I had reference to that is operated in connection with South Platte National.

Q. In connection with your membership or your stock holdings through the Monroe Corporation and the Fort Lupton Bank, do you know whether the Fort Lupton Bank is engaged in or is connected with an agricultural credit corporation?

A. As a matter of fact, I think they may be, but I'm not at all sure if they are. I don't have any specific knowledge of it.

Q. Well, now, do you know how the agricultural credit corporations of the type that are described in the application submitted to the Federal Reserve Board in connection with the proposed acquisition by First National of Denver of First National of Greeley—do you know how those agricultural credit corporations work?

A. Only in very general terms.

Q. Would you rather leave that to Mr. Eaton?

A. I think Mr. Eaton would have a broader knowledge of it than I would. I certainly don't know the specifics of it. I know the leverage that you develop and that it can give you a significantly greater amount of money, lendable funds, than is normally possible in most financial transactions.

Q. I notice from your annual report—that is, the annual report of the First National Bank of Greeley for the year ended 1966, that one of the new services offered or reported in that annual report is something called Medac, Medical Billing Service. Could you describe that to us?

A. Again, Mr. Eaton can probably give it to you more closely. But it's a service which we furnish to the medical profession; namely, they put their billings on data processing equipment through our bank on a direct line to Denver, and then it goes into the data processing equipment in Denver. It's a billing service that provides data processing for these people.

Q. Who does the processing of the data for you in Denver?

A. A Denver firm, Medical Services, Inc.

MR. SCHOEPKE: Off the record.

(Discussion off the record.)

MR. SCHOEPKE: Back on the record.

A. I believe Medical Services, Inc. of Denver is the name, and they either use their own equipment or lease it from some other source.

Q. You had no direct contact in Medac with the organization that did the actual data processing?

MR. METZGER: There is an organization known as Medac System with offices at 9513 East Arapahoe Road in Denver.

A. That's it.

Q. (By Mr. Schoepke) I note from the annual report of the First National Bank of Greeley that in 1967 you became an agent bank for CNB for BankAmericard.

A. Yes.

Q. Do you still have that?

A. Yes, we do.

Q. Have you ever considered Master Charge in connection with other credit card accounts?

A. No, not really.

Q. Has the matter of credit cards entered into your negotiations at all with First National Bancorporation?

A. No.

Q. In your 1967 annual report you also indicate something that we've gone through just a few moments ago, that your surplus increased your loan limit, and that at that time, in 1970 at least, you stated that your loan limit was the highest of any bank in northern Colorado. Do you happen to know, is that still the case?

A. Yes, I think so, with the possible exception of the First National Bank of Fort Collins. But I still think we have the largest legal lending limit in northern Colorado.

MR. METZGER: For the record, a national bank has as its legal lending rate the sum of its capital, its surplus, its undivided profits and its uncommitted reserves. This is therefore a mechanical question which may be answered mechanically by noticing these facts which are of public record for all banks. And I'm sure that Mr. Gilbert would accept those facts as being accurate for whichever bank we looked at.

THE DEPONENT: Precisely.

Q. (By Mr. Schoepke) Yes. Now, perhaps you would

wish to defer to Mr. Eaton on this or somebody else, maybe Mr. Gillespie. I assume this is an accounting problem. But I just would like to straighten it out for the record.

In your annual report, Mr. Gilbert, for 1968, net operating earnings are given as $655,092. That's in the 1968 annual report. Now, the 1969 annual report—and I might say your annual reports usually indicate the earnings for the year prior—in your 1969 annual report, net operating earnings for 1968 are given as $490,731.

Now, there is discussion in your 1969 annual report that would indicate that because of certain requirements of the Controller of Currency and changes in accounting methods, that various adjustments had to be made. I assume that the difference in the 1968 net operating earnings reported in the annual report for 1968, and that those reported for 1969 are attributable to those changes in the accounting methods. But I wondered if it would be possible to reconcile those.

A. Exactly, that's the reason for it. But I think Mr. Gillespie or Mr. Eaton could probably give you a better explanation of that than I can.

Q. Mr. Gilbert, I would like to direct your attention, if I may, to the application of the First National Bancorpo ration of Denver that was made to the Federal Reserve Board in connection with the proposed acquisition of the First National Bank of Greeley. Exhibit G describe Greeley's primary service area. And in that description there are various communities listed as included within this area. Now, one of the cities mentioned is the City of Greeley. And the next city mentioned is Eaton. Could you tell us where Eaton is located?

A. Approximately three and a half, four—let's see—four to five miles due north of Greeley.

Q. On the basis of your knowledge, having lived in the area, is there any commercial connection between Eaton and Greeley?

A. By "commercial connection," do you mean commercial firms extending to that area?

Q. Yes.

A. I'm not sure I understand what you mean.

Q. Well, what is the economic activity that goes on in Eaton? Why is Eaton there?

A. It's a small rural, almost predominantly agricultural area, a very small town.

Q. Do people from Eaton come into Greeley to conduct business?

A. Yes, in the retail sense. Probably they do more of their retail business in Greeley than Eaton.

Q. Now, where is the town of Gill?

A. Gill is a little east of Eaton. Generally it's north and east of Greeley. I doubt, if you were going through Gill, you could even identify it as a town.

Q. Is there any economic connection between Gill and Greeley?

A. It can hardly be called a town. I don't think you would classify it as a town if you would go through it and look at it. Maybe you have, but there is nothing there to speak of, no commercial activity.

Q. No commercial activity?

A. No.

Q. How about Kersey, the next town? Where is Kersey located?

A. Kersey is about six miles east of Greeley on Highway 34.

Q. What kind of commercial activity, if any, is located there?

A. Very little. An elevator maybe, a feed elevator, feed and grain elevator.

Q. Is there a railroad station?

A. I don't believe there is a station there any longer. They don't stop there any longer.

Q. And where is Platteville located?

A. Platteville is about twelve miles—I'm speculating—but about twelve miles south of Greeley on Highway 85 to Denver.

Q. What kind of commercial activity, if any, is located there?

A. Again, very little.

Q. How about the town of Gilcrest?

A. Gilcrest is approximately nine or ten miles south of Greeley on Highway 85.

Q. What kind of economic and commercial activity, if any, is conducted there?

A. Again, very little. There may be a feed mill, grain elevator. But very little commercial activity.

Q. And how about the town of Peckham? Where is that located?

A. Peckham is in the same general area as Gilcrest and Platteville.

Q. Again, with regard to commercial activity?

A. It's non-existent practically.

Q. And may I ask the same few questions with respect to La Salle?

A. La Salle is a larger area. It used to be the switching ground for the U. P. Railroad. It has an alfalfa mill, which is one of the main commercial activities in the town, a grocery store, the South Platte National Bank, which recently went in there. There isn't a whole lot of activity other than the John Ewing alfalfa hydrating mill and the bank. That's about it.

Q. How about the town of Evans?

A. Evans has even less, in my opinion, commercial activity than La Salle. It's midway between Greeley and La Salle. Very little commercial activity. There has recently been a furniture manufacturing store. Other than that, there is hardly any commercial activity.

Q. And Lucerne?

A. Lucerne is about midway on the north edge of Greeley between Greeley and Eaton. And in Lucerne, again, it's hardly identifiable as a city or town. The only commercial activity is a large filling station, restaurant and small motel.

Q. Mr. Gilbert, are you acquainted with an area near Greeley that is known as Farmers?

A. A Spur.

Q. Is that the name of it, Farmers Spur?

A. Yes.

Q. What is that?

A. It's north and west of Greeley, about six and a half miles.

Q. Is that a town?

A. It used to be known as a town. It was a beet dump. I doubt if it has a population of ten people. It's non-existent.

Q. Commercial activity?

A. None. There is no commercial activity there at all. I started to say there is a feed lot, but it's not there any more.

Q. How about Bracewell? Is there a community by that name near Greeley?

A. Yes, it's a little further north and west than the Farmers Spur but it's almost in the same category. It's non-existent. It's hardly identifiable as a community. I don't think they have a town board.

Q. Commercial activity?

A. None that I can think of.

Q. Now, in connection with your ownership of an interest in the Fort Lupton State Bank through the Monroe Corporation, have you ever had any conversation with the Fort Lupton State Bank or any of its officers or directors with respect to the possible acquisition of the Fort Lupton State Bank?

A. No, I have not.

Q. Was there any discussion between you and Mr. Alexander or any other officers of the First National Bank Corporation with respect to your ownership in the Fort Lupton State Bank at the time you were negotiating?

A. No. I think they may be aware of it, as I think I pledged my stock as security for loans. But no discussions.

Q. Have there been any discussions since the time of your signing the contract of acquisition with respect to your ownership in the Fort Lupton State Bank?

A. No.

MR. SCHOEPKE: We will continue this deposition until a future date. And then if you want to break now——

MR. METZGER: Why continue this deposition to a future date? What do you mean?

MR. SCHOEPKE: Well, just that. I will put it on the record, and if you want to object, you may.

MR. METZGER: I do. The witness is here and ready to answer any questions you have.

MR. SCHOEPKE: Well, we have to take other witnesses in between. I thought I'd discuss that with him, whether he was willing to be here and if there were questions, certain questions, that we could ask him that he was unable to answer, that we would——

MR. METZGER: You can ask this witness any question you want. He's here and ready to answer questions.

MR. SCHOEPKE: Well, there are other pending matters in the banks in Colorado, so that I stand on the record. I will defer that.

Do you have any questions you wish to ask on cross-examination?

MR. METZGER: After you complete your examination of this witness, if you have completed your examination of this witness, I do.

MR. SCHOEPKE: All right. For the time being, I have completed it.

MR. METZGER: I will ask a few questions.

Off the record.

(Discussion off the record.)

MR. METZGER: Back on the record.

EXAMINATION

By MR. METZGER:

Q. Mr. Gilbert, I note that you indicated your lending limit has a back door of ten per cent of your capital and your surplus. Is this your legal limit?

A. We have construed it to be our legal lending limit, although under regulations of the authorities, it is maintained that you can include your undivided profit account if you desire. We never chose to do so without specific board authority.

Q. For what reason?

A. It's a matter of prudence and conversatism probably.

Q. With regard to the question of considering affiliations with other holding companies besides the Colorado National Bancorporation and the First National Bancorporation of Colorado, could you tell us what your reasons were for limiting your inquiry as to these two organizations?

A. I think because our board was primarily interested in becoming affiliated with an organization that could give the depth and structure in the various areas that we thought would be helpful to our community and our bank, an extremely large mortgage lending department with contacts all over the country, one of the largest trust departments in the area with sophisticated investment counselling service, and probably the largest data-processing equipment in the area, with very sophisticated techniques for management reports. Basically those are the reasons we felt they were deep enough in personnel and in structure to give us the kind of help that we anticipated we would need.

Q. Did you feel there were any other banks in Colorado,

bank holding companies in Colorado, that you would care to be affiliated with?

A. No, not at this time. Denver U. S., of course, had been eliminated. They would have been a choice had they been available.

MR. METZGER: I have no further questions.

MR. SCHOEPKE: I will continue this deposition until an indefinite future date.

MR. METZGER: With the understanding that we do not hold ourselves out as being bound by such continuation.

MR. SCHOEPKE: I have a few more questions.

RE-CROSS EXAMINATION

By MR. SCHOEPKE:

Q. With regard to the stockholdings of your brother, you were to supplement your answer.

A. With respect to that part of my testimony relating to the stockholdings of my brother, I find on examination of the stockholders' list that he, C. Carl Gilbert and his wife Rachelle B. Gilbert as joint tenants and not as tenants in common, own 925 shares.

(The deposition was concluded at 12:15 p.m.)

.....
ROBERT M. GILBERT

Subscribed and sworn to before me this ..... day of ....., 19...

My Commission expires ....

.....
Notary Public

CERTIFICATE

State of Colorado }
City and County of Denver } ss.

I, THOMAS T. TOMKO, Notary Public and Certified Shorthand Reporter, State of Colorado, duly commissioned to administer oaths, do hereby certify that previous to the commencement of the examination of the said ROBERT GILBERT said witness was duly sworn by me to testify the truth, the whole truth, and nothing but the truth, and was thereupon interrogated as set forth in the foregoing deposition;

That the said deposition was taken in machine shorthand by me at the time and place aforesaid and was reduced to typewriting under my supervision;

That the foregoing is a true transcript of the questions asked, the testimony given, and the proceedings had;

That after the deposition was transcribed, the same was submitted to the deponent for reading and signing by means of a letter of notification, a copy of which is hereto annexed (that to date there has been no affirmative response by the deponent and said deposition remains unsigned, and the same is filed herewith pursuant to the provisions of Rule 30e. of the Federal Rules of Civil Procedure);

That I am not attorney or counsel, or in any way connected with any attorney or counsel, for any of the parties to said action, or otherwise interested in its event.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal this .... day of ....., 19....

My Commission expires December 9, 1972.

.....
THOMAS T. TOMKO
Notary Public

Bertram Naster
Thomas T. Tomko
Phones: 255-0497
255-0498

NASTER & TOMKO
CERTIFIED SHORTHAND REPORTERS
AMERICAN NATIONAL BANK BUILDING
DENVER, COLORADO 80202

December 14, 1970

First Nat'l. Bank of Greeley
Greeley, Colorado

Attn: Mr. Robert M. Gilbert
President

Re: Depo. of Robert M. Gilbert
USA vs. First National Bancorporation, No. C-2413, 11-19-70

Dear Mr. Gilbert:

Your deposition in the above case is now ready for you to read and sign. Please make an appointment by telephone and come in within the next twenty days, or let us know if you need more time. We will endeavor to make an appointment at a time convenient for you.

The Court rules require that your deposition be filed promptly. If after twenty days we have not heard from you, your deposition will be filed with the Court without your signature.

Very truly yours,
THOMAS T. TOMKO
Certified Shorthand Reporter

cc:

BOOK TOO LARGE FOR FILMING-P

DX-75

In The United States District Court
for The District of Colorado
Civil Action No. C-2413

United States of America, *Plaintiff*, vs. First National Bancorporation, Inc., and The First National Bank of Greeley, *Defendants.*	Deposition of Alejandro M. Gillespie

Pursuant to Notice and the Federal Rules of Civil Procedure, the deposition of Alejandro M. Gillespie, vice-president and controller of the defendant the First National Bank of Greeley, was taken by the plaintiff at 2:15 p.m. on Thursday, November 19, 1970, in the trust department conference room of the First National Bank Building, Denver, Colorado, before Thomas T. Tomko, Notary Public and Certified Shorthand Reporter, State of Colorado.

The Plaintiff appeared by Herbert G. Schoepke, Kevin D. Brenan and Eugene V. Lipkowitz, Attorneys, Department of Justice, Anti-Trust Division, Washington, D. C.

The Defendants appeared by Edward B. Close, Jr. of Hughes and Dorsey, Attorneys at Law, First National Bank Building, Denver, Colorado, and Eugene J. Metzger and Carl W. Schwarz of Metzger, Schwarz & McKenna, Attorneys at Law, One Farragut Square South, Washington, D. C.

Also present, Messrs. Robert M. Gilbert and Rex C. Eaton, Jr.

• • • • •

Alejandro M. Gillespie,

the deponent herein, called by the plaintiff, having been first duly sworn, was examined and testified as follows:

Cross-examination

By Mr. Lipkowitz:

Q. Would you please state your name for the purpose of the record?

A. Alejandro M. Gillespie.

Q. And what is your address?

A. 1103 9th Avenue, Greeley, Colorado.

Q. And what is your position with the bank?

A. Vice-president and controller of the First National Bank of Greeley.

Q. Calling your attention to the Answer to Interrogatory No. 23, which you helped prepare or prepared, could you tell us about the relationship of the First National Bank of Greeley with the Fort Lupton State Bank, particularly the correspondent relationship maintained by the Fort Lupton State Bank at the First National Bank of Greeley?

A. Yes. They keep a deposits account with us which varies in size as it has for many years. The main purpose of this account, they use us as a commercial bank to clear checks on the County Treasurer of Weld County particularly. In earlier times it was warrants, but these are their county checks, and this is a good part of the business that we handle for them.

Q. Your answer also mentions that you make loans to Fort Lupton State Bank officers.

A. Yes, not large loans. I think you heard testimony from Mr. Gilbert earlier.

Q. Would this be for the purpose of the enabling officers of the Fort Lupton State Bank to buy stock in that bank?

A. In the Fort Lupton State Bank or our bank?

Q. Any bank.

A. Yes, it's possible.

Q. What interest rate do you charge on such loans as compared with other loans that your bank makes, the prime rate or any other basis?

A. No, I can't say that I am. I'm not involved in the lending function of the bank.

Q. And does the First National Bank of Greeley participate in loans originally made by the Fort Lupton State Bank, providing overlines?

A. It could be.

Q. Is that something that you worked on or——

A. No, it isn't.

Q. Here is the Answer to Interrogatory No. 25 which you also prepared. I believe it lists the accounts that First National Bank of Greeley maintains at various banks

around the country. Could you describe the nature of the correspondent accounts first held in various Denver banks?

A. Well, the three banks involved in Denver, there is the Colorado National Bank, the Denver United States Bank, or the United Banks of Denver now, the First National Bank of Denver. We have had correspondent relations with these three banks all the time I have been in the bank and probably 50 years earlier than that.

Q. Would you describe the change in recent months of the size of the correspondent balance maintained with the various banks here in Denver?

A. Yes. I think the greatest change that would show up here would be between the Colorado National Bank and the First National Bank of Denver. They have traditionally been our principal correspondent bank in Denver. In view of the hoped-for association with the Bancorporation, we changed our principal correspondent relationship with the First National Bank of Denver.

Q. What sort of service have these banks provided to the First National Bank of Greeley in the past?

A. Well, in the past they were strictly depositor relationships, and in addition to this there would be some custodial service at the Colorado National Bank, particularly there used to be.

Q. Would it be fair to state that you have also transferred banks for the purpose of providing such things as payroll and checking accounts and regular savings accounts, bookkeeping service or computer service from Colorado National Bank to First National Bank following your decision?

A. Right. The only exception to that would have been a computer service provided by the First National Bank with regard to our municipal bond portfolio which we started with the First National Bank. That was not transferred. This runs back three or four years.

Q. And it's still here at the First National Bank of Denver?

A. Right. The other services were transferred in contemplation of this merger.

MR. SCHOEPKE: Off the record.

(Discussion off the record.)

Q. (By Mr. Schoepke) Mr. Gillespie, the annual report of the First National Bank of Greeley for 1968 reports net

operating earnings for 1968 of $655,092. The annual report for the First National Bank of Greeley for 1969 has figures for net operating earnings for 1968 of $490,731.

Now, I wonder, could you explain to us the reason for the differing figures contained in these two annual reports with respect to the net operating earnings of First National Bank of Greeley for 1968?

A. Well, this is the figure that I said I would reconcile. Now, there may be a mention of that in the president's report at the beginning of the 1969 report. Do you happen to have that?

Q. Would you like to see the report?

A. Yes.

Q. I believe there is an explanation and there is mention of the changeover to the accrual basis.

A. Right.

MR. GILLESPIE: Off the record.

(Discussion off the record.)

Q. (By Mr. Schoepke) Mr. Gillespie, I note from the first page of the annual report of First National Bank of Greeley, the report by the president, Mr. Gilbert, the third paragraph of that report discusses the reclassification of certain items, adjustments to reflect results of operations on accrual basis, and so forth. Could you tell me, are those the adjustments that account for the difference in the net operating earning figures contained in the 1968 and 1969 annual reports?

A. I would say yes.

Q. Now, in the 1969 annual report of First National Bank of Greeley there are net operating earnings reported before income taxes amounting to $683,618. Are those figures based on the new method of accounting described by the president in his message in the 1969 annual report?

A. Yes.

Q. Is there anything you wish to add to that?

A. I don't think so.

MR. SCHOEPKE: We have no further questions of Mr. Gillespie at this time.

Do you have any questions?

MR. METZGER: No, sir.

MR. SCHOEPKE: We continue the deposition to an indefinite and future time.

MR. METZGER: My brief representation stands unaltered.
(The deposition was concluded at 2:25 p.m.)

.....
ALEJANDRO M. GILLESPIE

Subscribed and sworn to before me this .... day of ....., 19...

My Commission expires .....

.....
Notary Public

CERTIFICATE

State of Colorado }
} ss.
City and County of Denver }

I, THOMAS T. TOMKO, Notary Public and Certified Shorthand Reporter, State of Colorado, duly commissioned to administer oaths, do hereby certify that previous to the commencement of the examination of the said ALEJANDRO GILLESPIE said witness was duly sworn by me to testify the truth, the whole truth, and nothing but the truth, and was thereupon interrogated as set forth in the foregoing deposition;

That the said deposition was taken in machine shorthand by me at the time and place aforesaid and was reduced to typewriting under my supervision;

That the foregoing is a true transcript of the questions asked, the testimony given, and the proceedings had;

That after the deposition was transcribed, the same was submitted to the deponent for reading and signing by means of a letter of notification, a copy of which is hereto annexed (that to date there has been no affirmative response by the deponent and said deposition remains unsigned, and the same is filed herewith purusant to the provisions of Rule 30 e. of the Federal Rules of Civil Procedure);

That I am not attorney or counsel, or in any way connected with any attorney or counsel, for any of the parties to said action, or otherwise interested in its event.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal this .... day of ....., 19...

My Commission expires December 9, 1972.

.....
THOMAS T. TOMKO
Notary Public

BERTRAM NASTER
THOMAS T. TOMKO
PHONES: 255-0497
255-0498

Depositions
General Reporting

NASTER & TOMKO
CERTIFIED SHORTHAND REPORTERS
AMERICAN NATIONAL BANK BUILDING
DENVER, COLORADO 80202

December 14, 1970

First Nat'l. Bank of Greeley
Greeley, Colorado

Attn: Mr. Alejandro M. Gillespie

Re: Depo. of Alejandro M. Gillespie
USA vs. First National Bancorporation, No. C-2413, 11-19-70

Dear Mr. Gillespie:

Your deposition in the above case is now ready for you to read and sign. Please make an appointment by telephone and come in within the next twenty days, or let us know if you need more time. We will endeavor to make an appointment at a time convenient for you.

The Court rules require that your deposition be filed promptly. If after twenty days we have not heard from you, your deposition will be filed with the Court without your signature.

Very truly yours,
THOMAS T. TOMKO
Certified Shorthand Reporter

cc:

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO
Civil No. C-2413

UNITED STATES OF AMERICA,
Plaintiff,

vs.

FIRST NATIONAL BANCORPORATION, INC., and THE FIRST NATIONAL BANK OF GREELEY,
Defendants.

DEPOSITION OF CARROL L. STUBBS (Taken by Plaintiff)

PURSUANT TO NOTICE, the deposition of CARROL L. STUBBS, called for examination by the plaintiff herein, was taken at the Trust Department Conference Room of the First National Bank of Denver, First National Bank Building, in the City and County of Denver, State of Colorado, beginning at the hour of ten o'clock in the forenoon of the 20th day of November, 1970, before Bertram Naster, a Certified Shorthand Reporter and Notary Public in and for the State of Colorado;

The plaintiff appearing by its attorneys, Mr. Herbert G. Schoepke, Mr. Eugene V. Lipkowitz, and Mr. Kevin D. Brenan, Attorneys, United States Department of Justice;

And the defendant First National Bancorporation appearing by its attorneys, Hughes & Dorsey, by Mr. Edward B. Close, of Denver, Colorado, and Metzger, Schwarz & McKenna, by Mr. Eugene J. Metzger and Mr. Carl W. Schwarz, of Washington, D.C.

WHEREUPON, the following proceedings were had:

CARROL L. STUBBS,

called for examination by the plaintiff herein, being first duly sworn, testified as follows:

EXAMINATION

By MR. SCHOEPKE:

Q. Would you state your name for the record, sir.
A. Carrol L. Stubbs.
Q. Where do you reside, Mr. Stubbs?
A. 3084 South Columbine, Denver.

Q. And what is your present employment?

A. I am Senior Vice President in the Correspondent Bank Division.

Q. Of what institution?

A. First National Bank of Denver.

Q. How long have you been with the First National Bank of Denver?

A. The last time, since 1933. I was employed by the bank two previous times.

Q. Oh, I see. Well, would you just briefly go through the periods of employment that you have had with the bank, and give your general position of duties, functions.

A. I was employed as a bookkeeper first, entered the Teller's Department; from there, on the utility staff, and——

Q. To the best that you can recall, could you give the approximate times that you spent in these various jobs, as you go along.

A. About two years in the Bookkeeping Department, one year and a half as a teller. I may have understated that a little. Probably seven or eight years on the utility staff, where I worked in every department of the bank. We did not have a Trust Department at the old bank, so I have never been in the Trust Department or the Credit Department, but I have worked in every other department of the bank.

Q. And did you call that part of the Utility Section?

A. Well, the utility staff, relieving department heads on vacation.

Q. I see. And for how long were you on this utility staff?

A. Oh, probably seven years. From there, as an assistant to the Cashier, who was then Frank Dawson, we handled personnel and operations, did hiring and firing, along with operational duties.

Q. And then what was your next position?

A. To the Correspondent Bank Division.

Q. How long have you been with the Correspondent Bank Division?

A. Twenty or twenty-one years.

Q. When you first came to the Correspondent Bank Division, what was your function?

A. Assistant Cashier.

Q. And what were your duties as Assistant Cashier in the Correspondent Bank Department?

A. Generally, traveling the area to assist in operational problems for the smaller banks in the area, to assist them.

Q. And when you say "smaller banks," what do you mean?

A. Well, they rely upon us for expertise in assisting them, in advice as to purchasing equipment, setting up systems, personnel problems, assisting them in finding personnel. And from there, then gradually developing into the loan portion of the Division.

Q. Well, perhaps this would be a good place to ask you what the Correspondent Bank Department does. You have been just saying "small banks," which for the record doesn't mean very much. Would you just, on the basis of your experience and your function as head of the Correspondent Bank Division, tell us, what does the Correspondent Bank Division do?

A. Well, all banks have correspondents. We do have correspondents all over the country. The smaller banks need a larger bank for assistance in clearing their items—checks that are deposited in those banks that could be drawn anywhere in the world. They send them to us or Federal Reserve Bank. Many of them are not members of the Federal Reserve Bank.

We give assistance in loans, the problems that I have mentioned before—to assist them in any new developments that come out as far as machinery and equipment. We have taken some of their newly employed people into our banks to give them training in our various departments.

We still constantly do all of these things. We assist them in loans. Many of the banks in our area are small, their demand for credit is high. Their loan limits are low. So they need assistance that way.

Q. Now, these banks you are referring to as correspondent banks, they are not affiliated with your bank?

A. No, sir.

Q. Other than being correspondent banks?

A. That's right.

Q. They are independent banks in their own communities, is that right?

A. Yes, sir.

Q. Now, do the personnel of the Correspondent Bank Department call on these banks?

A. Yes, sir. There are twelve men in the department and three secretaries. It is divided into three divisions. Four of the gentlemen travel generally from Denver south, clear to the Mexican border, as far as El Paso. That division covers Kansas, the Panhandle of Texas, all of New Mexico, southern Colorado, Arizona—very little of Arizona, Utah, Salt Lake City.

The northern division, generally from Denver north, covers the Panhandle of Nebraska, South and North Dakota, the western end, all of Montana, Idaho, Wyoming, and I believe I mentioned northern Colorado.

We have a metropolitan division; there are three in that, that handle the banks in the immediate area.

Q. Now, why does First National Bank of Denver do all of these things for these small banks?

A. Well, correspondent banking, way back in history—as I say, we have to have correspondents in many large cities to assist us with our problems. It is the way of life, it has to be done. They have to have help. They need some institution that can assist them with foreign problems, transferring money to foreign areas.

Q. Perhaps you haven't gotten the import of my question.

A. Perhaps not.

Q. I said, why do you do these things for these little banks? Do you do it——

A. To build up our banks.

Q. Do you get anything in return for your efforts on behalf of the smaller banks?

A. Yes, they have deposits with us.

Q. And in what way do the deposits constitute a quid pro quo, let us say, for the services that you render?

A. Well, their deposit would come to us. It would consist of, in a smaller bank, where there's a few checks, those checks, and in the big ones, checks of this size (indicating). The only thing they pay us for is computer services. The rest is the deposits, which build our bank, which we use so that we can finance other institutions.

Q. In other words, the deposits that the correspondent banks keep here——

A. Yes, sir.

Q. ——you are able to use and put to profitable use, and

that constitutes your reimbursement for the various services that you render?

A. Yes, sir.

Q. And is there a particular name for those deposits?

A. Correspondent bank balances, as shown on our statement.

Q. Now, I'd like to direct your attention to Interrogatory No. 22, Mr. Stubbs. I don't see your name on it, but this is an answer to Plaintiff's Interrogatory No. 22, and I would like to direct your attention to Section C. of Interrogatory No. 22, which is on the 17th page, and at the top of the page is the following statement: "The Correspondent Bank Department, as one of its basic purposes, assists correspondent banks with overline loans and participation loans to a variety of borrowers."

Now, would you state for the record what is an overline loan, in the sense that the term is used there?

A. The regulation provides that a national bank can only loan to one customer ten per cent of their capital and surplus. State banks can loan fifteen per cent. For instance, if a bank's ten per cent is only $50,000.00, and they have a request for a $150,000.00 loan, they can only go to fifty. They must find some place for the other, if they wish to take care of their customer.

Q. Well, now, you have told us what a lending limit is. Would you tell us what an overline is.

A. That is an overline—the amount over the amount that they can loan is an overline. The additional $100,000.00 in the example that I presented is an overline.

Q. Yes. Now, the statement I just read to you indicates that the Correspondent Bank Department, as one of its basic purposes, assists correspondent banks with overline loans. Would you tell us in what way the Correspondent Bank Department does assist correspondent banks.

A. When they have a request like this which they cannot handle, they bring that request to us and ask for our assistance in taking the overline. We review the loan, just as we would anyone that comes into our bank, and if it meets our credit terms, we will then, through that bank, take that portion of the credit.

Q. In other words, you take the overline as a——

A. As a loan, then, in our portfolio.

Q. The overline becomes part of your loan portfolio?

A. Yes, sir.

Q. Now, that sentence on the 17th page of Interrogatory Answer No. 22.C. also mentions participation loans, and I wonder, would you tell us, as a banker and with extensive experience in correspondent banking, what the meaning of the term "participation loan" is?

A. In the same example that I gave, the note will be drawn for $150,000.00. A certificate called a participation certificate, which is a legal document, states that First National Bank of Denver is participating in that credit of $150,000.00, in the amount of $100,000.00. It is our obligation. They no more have the obligation in the country bank.

Q. And that participation refers to the overline which exceeds the correspondent bank's lending limit?

A. Yes.

Q. Is that correct?

A. Yes, sir.

Q. Now, are there other banks in the City of Denver which are engaged in the correspondent banking business?

A. Yes, sir.

Q. What are the other banks?

A. Ourselves, United Bank of Denver, Security National, American National, Colorado National, Central Bank—that I'm sure of.

Q. Do you happen to know for whom Security National Bank is the correspondent? Do they have very many accounts, do you know?

A. Not very many.

Q. Do you happen to know, of your own knowledge, for whom they act as Denver correspondent?

A. I know of one for sure—First National Bank of Grand Junction. Excuse me, I better add to that that they are a holding company bank also. They do correspondent work for their own banks, if that is considered pertinent.

Q. Security Bank?

A. Yes. That's the First of Englewod, and University Hills.

Q. Oh, the other member banks of their holding company.

MR. METZGER: As well as the First National of Grand Junction.

Q. (By Mr. Schoepke) Which is not part of their holding company?

A. That's right.

Q. Mr. Stubbs, in Interrogatory Answer 22.C., on the 32nd page, under the term "Other Trust Services," there is a section called "Greeley National Investment Advisory Account." Are you familiar with the Greeley National Investment Advisory Account?

A. Well, I am not a trust man, for sure, but I know our Trust Department helps them, advises them on their bank's investments.

Q. Well, the description of the account is rather complete. I just wondered if you could clarify one thing.

A. May I read that?

Q. Would you want to read through that section, and then perhaps we can save a little time.

(Pause.)

Q. Mr. Stubbs, I am asking you about this simply because this is included in the particular Interrogatory answer that is concerned with correspondent banking. Now, I just don't want to make any false assumptions. The first sentence reads as follows: "The Greeley National account is an investment advisory relationship which is operated on a very informal basis." And the second sentence continues: "The Greeley National is responsible for all trust decisions in the accounts," et cetera.

The term "Greeley National"—do you happen to know, does that refer to the Greeley National Bank?

A. I know it does.

Q. All right. Do you happen to know how this relationship between the Greeley National Bank and the First National Bank of Denver, with respect to this Greeley National Investment Advisory Account, originally came about?

A. Yes. This is another correspondent service. We have a huge Trust Department and a full group up there, that are presumably experts in the financial field, in investments. This bank has asked our Trust Department for advice on investments.

Now, as far as an account goes, if that means a depository account, I do not believe that is the term that the—as far as an account with our bank, a depository account, I don't believe that is the connotation on that.

Q. Well, I think the thing probably speaks for itself. The second sentence reads: "The Greeley National is re-

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sponsible for all trust decisions in the accounts, and is also responsible for holding the securities and the accounting functions. Our function is to provide advice on investment policies, and to review the individual investments in the account."

A. That's correct.

Q. Does Greeley National Bank presently have a correspondent relationship with First National Bank of Denver?

A. Yes, sir.

Q. Do you know or are you in a position to state whether or not, if the First National Bank of Greeley is acquired as an affiliate or a subsidiary of First National Bancorporation of Denver, whether this particular relationship between Greeley National Bank and the First National Bank of Denver will continue?

A. I can speak for our bank, because we have had a conversation with them and our relationship—we have told them that our relationship, as far as assisting their bank, will not change.

Q. Going back, if I may, Mr. Stubbs, to the statement on page 17 of the Interrogatory answers, which sets forth the basic purposes of the Correspondent Bank Department, the paragraph at the top of page 17 states: "The Correspondent Bank Department, as one of its basic purposes, assists correspondent banks with overline loans and participation loans to a variety of borrowers. Also included in the loan makeup are direct loans to banks and bank officers."

I wonder if you would describe the loans that are made to your correspondent banks and to their bank officers.

A. Well, on occasion a bank's liquidity position becomes such that, for one reason or another, they have to borrow money—a bank. This is a bank I am talking about now.

There was one on my desk just now—I talked to the bank in Worland, Wyoming—that will be short of cash. They only matured it to November 26th, which is only for a few days. We will loan that bank $100,000.00. That is the loan to the bank. They are secured by either Government Bonds or Municipal Bonds, and that is provided in the regulation. That is the only loan to a bank.

Q. To a bank?

A. Yes, sir.

Q. And then you say that also included in the loan

makeup, in addition to such direct loans to banks, are loans to bank officers?

A. There is a regulation on bank officers borrowing from their own bank. A lot of banks do not want their officers to borrow, even though they can borrow within the limits. We loan many bank officers, for various purposes—buying a car, or a mortgage on a home, purchasing stock, some livestock.

Q. And this is one of the services that you render to your correspondent banks?

A. Yes, sir.

Q. The last sentence states as follows: "These loans are of every type and classification as those loans made by the First National Bank of Denver for its own portfolio." Am I correct in interpreting that to mean that every type of loan made by First National of Denver is also made through the correspondent relationship with its various correspondent banks?

A. That is generally true. We might have an automobile dealer's loan from some bank that is too large for them, or a finance company. We handle a lot of livestocks, real estate. Generally, I would say that is quite true.

Q. Would that include agricultural loans?

A. Yes, sir.

Q. Do you take many overlines from your correspondents on agricultural loans?

A. Most of our loans are agricultural loans, in our department.

Q. In the Correspondent Bank Department?

A. Yes, sir.

Q. By which you mean that that represents overlines in agricultural loans which you have taken from your correspondent banks?

A. Not all of our loans are from correspondents. We do have some direct livestock——

Q. Agricultural loans?

A. Monfort, you talked about. That is a direct loan, has nothing to do with the correspondent bank.

Q. But the Correspondent Bank Department does take agricultural loan overlines from its correspondents as appropriate, does it not?

A. Yes, sir.

MR. METZGER: You might want to supplement the previous answer with regard to correspondent relationships.

They are not entirely overlines and participations. There are often situations where the correspondent is so fully loaned that he simply asks you to take a very substantial portion of his loans, and it is not an overline relationship, necessarily.

MR. SCHOEPKE: I see.

Q. (By Mr. Schoepke) Would you adopt that as a supplement to your previous answer, Mr. Stubbs?

A. Yes. In many instances, the banks out in the country do not have sufficient capacity to take care of their customers, even up to their legal limit. In one real instance, one bank is only taking ten per cent of the loans we participate in, and we are taking ninety, because they don't have any money.

MR. METZGER: Just a supplement.

A. (Continued) But that is not an overline.

Q. (By Mr. Schoepke) That is a participation, in other words?

A. It is a participation, but it is not an overline above their legal limit.

Q. Yes. In other words, as Mr. Metzger stated it, they are loaned up?

A. Yes, sir.

Q. Their loan to deposit ratio is pretty much at the limit?

A. Yes, sir.

Q. And they have some customer that they want to accommodate, so they take one of their existing loans, and through some legal process, an assignment——

A. It is the same type of——

Q. They sell it to you, do they not?

A. It is the same type of participation certificate, but it is not necessarily the amount above their legal limit.

Q. And then that participation certificate becomes a part of your portfolio?

A. Yes, sir.

Q. And in return for that, you credit their account with your bank or send them the cash?

A. Well, we credit their account and they use the money.

Q. And then they may use that amount of money for other purposes of their own particular operation?

A. Yes, sir.

Q. Now, does your department make calls on correspon-

dent banks? I believe you alluded to that briefly, and I wonder if you would describe that a little more fully, what the nature of these calls is.

A. Yes, sir. Well, in those divisions I mentioned earlier, the groups south, north, and metropolitan area, we call on all of our correspondents at least twice a year—some of the larger cities, more than that. Well, sometimes all of them more than that, if we can get around the territory that fast.

Q. And what is the purpose of these calls?

A. Public relations, keeping your name in front of them, offering assistance, presenting new ideas, anything that is pertinent at the time. It is extremely helpful if you have some opening thing to say when you go into a bank, rather than go out and be a whiskey salesman.

(Discussion was had off the record.)

Q. Well, is it fair to say that one of the reasons you call on your existing correspondents is to keep them as correspondent bank customers of yours?

A. Yes, sir. In addition, though, we call on banks that are not our correspondents.

Q. That is my next question.

A. We try to call on everyone in the area. Well, there are a few exceptions. There is no reason for us to call on every bank in Montana. They do their correspondent work with Billings or Great Falls or Helena. We call on the larger banks in the outlying states.

The near banks, in Nebraska, Wyoming, Colorado, New Mexico—we call on every one.

Q. How about Colorado? Whom do you call on in Colorado?

A. I am confident that over the year our boys will cover ninety per cent of every bank in Colorado.

Q. Now, I gather from a statement you just made a moment ago that this includes banks which are not existing correspondents?

A. That's right.

Q. Why do you call on banks who are not existing correspondents of yours?

A. Well, the day might come when they become disenchanted with their correspondent bank and want to move. That happens seldom, but it happens. We have good friends in banks that are not correspondents of ours.

Q. Well, when the members of your Correspondent Bank Department, your subordinates who are assigned to these duties, call on non-correspondent banks, what do they talk about?

A. General banking conditions. We try to get all the business we can, and that is the only way you can—if you don't call on them and something happens and they need help, they are not going to let us know about it, they will talk to the people that they are friendly with and that have talked with them.

Q. Well, do you try to solicit their business as a correspondent bank?

A. Sure, sure—"Some time, we hope, we can be of help to you."

Q. That is the basic purpose of the call?

A. Sure, it is.

Q. Salesmanship?

A. Yes, sir.

Q. On the basis of your knowledge of the banking business, do the other banks in Denver who have correspondent departments do similar things, calling on customers?

A. I do not believe Security does, but I know all the rest do, yes, sir.

Q. That is, calling on their existing correspondents and also——

A. On ours.

Q. And also calling on their non-existing correspondents, which would include some of yours?

A. Yes, sir.

Q. And perhaps try and take them away from you?

A. Yes, sir.

Q. And so, in this respect, would you say that you are in competition with the other correspondent banks in Denver?

A. Very much so.

Q. Mr. Stubbs, do you happen to know how long the United Bank of Denver, or the former Denver U.S. National Bank, has been in the correspondent banking business?

A. Not for sure, but I am confident they have been as long as we have, and also the——

Q. Have they been in the correspondent business as long as you have been with First National Bank of Denver?

A. Yes, sir.

Q. How about the Central Bank? How long have they been in the correspondent business?

A. At least as long as I have been in the department. All of the banks except Security have.

Q. Have been in this correspondent banking business, in competition with you, since you have been in the department?

A. I'll take that back. American National, until their acquisition by the holding company, was not active in the correspondent business.

Q. Do you recall when they——

A. They had some accounts, but they were not competitive.

Q. Not active. Do you recall about how long ago it was that they commenced?

A. The American?

Q. Yes, commenced correspondent business.

A. Well, it was during Eisenhower's term. They were acquired in '57. This was at the time before Eisenhower signed the holding company bill. They immediately came in here and bought three banks—Wyoming, Montana, New Mexico, immediately.

Q. And did the American National Bank start a correspondent banking department shortly after that?

A. They had a few correspondent accounts, but they were not active, really.

Q. Well, when did they become active?

A. Immediately after their acquisition.

Q. Mr. Stubbs, I would like to direct your attention to Interrogatory No. 36, which is concerned with business solicitation. I wonder if you would clarify for me, on this question of business solicitation, what the relationship, if any, is between the Business Development Department and the Correspondent Bank Department.

MR. METZGER: Plenty.

Q. (Continued) In terms of responsibility.

A. Other than in visiting with banks, we as such do not have any responsibility in soliciting business locally, in our department.

Q. Now, you say locally. How about in towns or cities outside of Denver? Do personnel from your department make direct contact with distant borrowers?

A. Yes, sir. I can enlarge upon that. They do provide

us the information, in Business Development, because they have access to that that we do not. They prepare a call sheet for us.

Q. They prepare a call sheet, give it to you, and then you give it to the appropriate person who is covering that area, who makes the calls?

A. Yes, sir.

(Discussion was had off the record.)

Q. Mr. Stubbs, with respect to the Correspondent Bank Department you have indicated that you offer and render these various services to your correspondent banks, and in return they keep a balance with your bank and you have the use of that money?

A. Yes, sir.

Q. Is the Correspondent Bank Department a profitable operation to the bank?

A. You want me or our accountant to answer that one?

MR. METZGER: Our accountant please.

A. (Continued) I am confident it is, yes, sir.

Q. (By Mr. Schoepke) Referring back to Interrogatory Answer No. 36 again, the fifth page, at the bottom of the page, the last paragraph, it states that "State Bank of Greeley closed their account with us on March 23, 1970."

Do you happen to know why the State Bank of Greeley closed their account with you on that date?

A. Their main account was with Greeley National. They opened a small account with us, very small. We assisted them in one credit. The gentleman that owned the bank passed away about that date, right close there. They really have no reason to have an account with us at all. There was no ill feeling whatever, but they are doing their business with Greeley, Greeley then to us.

Q. Do they have a correspondent account in Greeley?

A. Greeley National Bank.

Q. I see. And then, from there, Greeley National Bank handles any Denver matters that they have, is that right?

A. Yes, sir.

Q. Now, Interrogatory 36, on the sixth page, lists loan customer calls at correspondent banks, and reads as follows: "The below listed accounts are now or have been loan customers of the First National Bank of Denver. They are separated into participations from banks and direct loans."

Then there follows after that paragraph a list of various banks and other organizations on which calls were made. But on page 8, there is a category entitled "Direct Loans, Correspondent Bank Department," and there is a list of organizations, and do those represent loans which are made directly with the First National Bank of Denver?

A. Yes, sir.

Q. As opposed to overlines or participations from correspondent banks?

A. Yes, sir, every one of those are.

Q. Mr. Stubbs, I'd like to direct your attention to Interrogatory No. 4, which is concerned generally with questions about the interest rates charged by First National Bancorporation and various of its subsidiaries. I would particularly direct your attention to the 18th page of that Interrogatory Answer No. 4, which states as follows: "Direct loans made to correspondent bankers for the purpose of purchasing the bank's stock have generally been one-half to one and a half per cent under the existing prime rate. These rates were established in response to significant competition from major banks for correspondent bank accounts and balances."

Are you able to tell me how often loans have been made to your correspondent bankers for the purpose of purchasing their own stock?

A. This is constant.

Q. It goes on constantly?

MR. METZGER: Let's distinguish the two categories.

A. We are talking about—well, what type of loan, a $500.00 loan, a $1,000.00 loan? We loan the little boys in the banks, to be able to buy ten shares of stock if they wish, as a way to help them out.

Q. (By Mr. Schoepke) Well, I'm just asking you, is this done frequently?

A. Yes, sir.

Q. Or is it a rare occasion?

A. Yes, that is done frequently.

Q. Well, now, you stated a moment ago that such loans are made in small amounts, and I believe you used the term "little guys." Are such loans made in other amounts than small amounts?

A. Oh, yes, sir.

Q. And has that happened on a regular basis or on an infrequent basis?

A. Not a regular basis, no. The opportunity doesn't arise that often. Large bank stock loans—we have about ten, I believe.

Q. Well, now, you say you have about ten. How do you happen to know that approximate figure?

A. Well, I certainly try to keep up with all the loans in our division.

Q. Do you have records that would indicate the loans that are made to officers of your correspondent banks, for the purpose of——

A. Surely.

Q. Would you be able to assemble a list of those loans or——

A. On certain of the small ones, I don't know that we would be able to determine for sure what the money was used for. Yes, on the larger ones, we would.

Q. Now, when the loan is made to correspondent bankers to purchase the bank's stock, is the stock pledged as security for the loan?

A. Most of the time. Sometimes, if they are borrowing just for qualifying directors' shares, they cannot pledge that stock.

Q. Well, now, when that stock is pledged, where in the bank, in the First National Bank of Denver, does it go?

A. In our Collateral Department, with other collateral.

Q. And is a record kept of the fact that it is security for a loan pledged by a correspondent banker, for purchase of his stock in his bank?

A. Each borrower has a separate sheet down there. Ask that again, will you.

(Question read.)

A. No, sir, not for purchase of the stock. It is listed on this collateral sheet, what the stock is, but they have no record of what it was used for.

Q. But there is an existing collateral sheet of all——

A. All pledged collateral, yes, sir, in the whole bank.

Q. All pledged collateral?

A. Yes.

Q. With regard to these loans made to officers of correspondent banks, to purchase stock in their own banks, do

those banks maintain correspondent balances with the First National Bank of Denver?

A. In most instances.

Q. Now, in that kind of a loan, is it customary to require from the officer himself the maintenance of a compensating balance of any kind with the First National Bank of Denver?

A. No, sir.

(Pause.)

THE WITNESS: No, sir.

Q. (By Mr. Schoepke) Mr. Stubbs, now that you have had a lengthy conversation with Mr. Metzger, would you answer the question, please.

MR. METZGER: Now, let me state on the record, to make it clear, what we were talking about. My representations with any of the witnesses of this bank have been for the purpose of clarification. If counsel wishes to ask some questions and to have answers that do not reflect the witness's true understanding of the facts, then I suggest that he is representing the wrong agency. I think we have had enough of this kind of representation in the record of this proceeding, and I hope that we can stop it from now on.

MR. SCHOEPKE: Well, it is certainly not customary for a lawyer to instruct the witness in the course of a deposition, as to the answer he should give, or coach him in the manner that sometimes apparently takes place before Congressional committees.

Again, I state, as I stated yesterday, that if Mr. Metzger wants to bring out things, he may bring them out on cross-examination. I have not made a technical issue of this, but I do think that sometimes, Mr. Metzger, you are carrying it a little bit too far.

MR. METZGER: Thank you for your instruction as to procedure in these matters, counsel. Now, would you proceed.

MR. SCHOEPKE: Now would the reporter state the last question.

(Previous question and answer read.)

THE WITNESS: That is a correct answer.

Q. (By Mr. Schoepke) Does that answer stand?

A. Yes, sir. It isn't customary in individual loans. You know—General Motors and General Electric, certainly we require compensating balances.

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Q. You do?

A. Sure. Everybody does.

Q. But you said—did I misunderstand you? You said it was not customary or it was customary——

A. It was not customary for the individual.

Q. For individual loans?

A. (The witness nodded affirmatively.)

Q. Not customary, for loans to individual persons, to require a compensating balance?

A. That is correct, it is not.

Q. Is it customary in individual loans to require them to post collateral of some kind?

A. No.

Q. Now, does your Correspondent Bank Department call on the customers of the other banks in Denver who are in the correspondent banking business?

A. The customers of other banks?

Q. Of the other banks in Denver that you have identified as being engaged in the correspondent banking business.

A. If I understand the question, do we call on customers of banks that also have correspondents?

Q. Yes.

A. Surely.

Q. And for what purpose do you call on them?

A. Solicitation of their business.

Q. You try to take them away, perhaps, from their existing correspondent?

A. Surely.

Q. Is that correct?

A. From competition, yes, sir.

Q. Does your Correspondent Bank Department solicit correspondent business of the subsidiary banks of other Colorado holding companies?

(Pause.)

A. I am trying to think in an area where a company, in Littleton or some place—yes, if they are good customers, we certainly want to get them. Yes, we will make calls on them. Well, our department will not, the Business Development Department will.

Q. That was not the question, Mr. Stubbs. Do you solicit the subsidiary banks of other Colorado holding companies?

A. No, sir. If I understand your question, the present

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banks in the United Banks of Colorado holding company—do we go solicit accounts from them?

Q. Yes, that is my question.

A. Yes, on that basis—some.

Q. I don't know what you mean, "on that basis." You had a long conversation here with Mr. Metzger. Just answer the question.

A. There are several holding companies in Colorado. We have not solicited any account from any member of their holding company, or Colorado National's holding company. The new holding company just formed, A.B.C., the thirteen-bank holding company, yes, sir.

Q. They have no Denver subsidiary at this time?

A. That's right.

MR. SCHOEPKE: Well, I have no further questions.

Is there anything that you haven't covered, that you'd like to bring out on cross, Mr. Metzger?

MR. METZGER: I have asked no questions to date, counsel. I hope the record is very clear on that, and thank you very much, Mr. Stubbs.

MR. SCHOEPKE: We will adjourn your deposition to an indefinite future time.

MR. METZGER: This is a representation of the Government with which counsel for the defense does not concur.

.....

(Signature of Witness)

Subscribed and sworn to before me
this .... day of ....., 1970.
My Commission expires .....

.....

Notary Public

CERTIFICATE

State of Colorado }
City and County of Denver } ss.

I, Bertram Naster, Notary Public and Certified Shorthand Reporter, State of Colorado, duly commissioned to administer oaths, do hereby certify that previous to the commencement of the examination of the said Carrol L. Stubbs, said witness was duly sworn by me to testify the truth, the whole truth, and nothing but the truth, and was thereupon interrogated as set forth in the foregoing deposition;

That the said deposition was taken in machine shorthand by me at the time and place aforesaid and was reduced to typewriting under my supervision;

That the foregoing is a true transcript of the questions asked, the testimony given, and the proceedings had;

That I am not attorney or counsel, or in any way connected with any attorney or counsel, for any of the parties to said action, or otherwise interested in its event.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal this ..... day of ....., 19 .

My Commission expires June 9, 1974.

.....

BERTRAM NASTER,
Notary Public

DX-79

OFFICE OF THE SECRETARY OF THE TREASURY
WASHINGTON, D.C. 20220

April 26, 1971

Dear Mr. Brown:

Pursuant to Mr. Wolfe's visit to your bank on April 20, 1971, for purposes of conducting a compliance review, I would like to take this opportunity to thank you, Miss Kealiher and Mr. DeBell for the cooperation and cordiality extended to him.

As explained in earlier correspondence to your Vice President and Director of Personnel, the purpose of the visit was to evaluate the employment policies and practices of the bank to ascertain the degree to which women and minority group people are being afforded equal opportunity.

There is no doubt as to the bank's commitment to this effort, for the report I have received evidences some very commendable results, such as:

the significant representation of minority group employees,
the number of them applying for work,
and the percentage hired in the past six months.

These achievements suggest that your credibility as an equal opportunity employer has been established. Certainly, the participation of key staff members in various community projects and civil rights organizations contributed to this.

Although the bank's Affirmative Action Program is acceptable for 1971, I understand that in conjunction with members of your staff, Mr. Wolfe pointed out some possible deficient areas. To strengthen the bank's equal opportunity posture he made recommendations to which you agreed. For your confirmation I am restating them:

1. As you update the bank's Affirmative Action Program for 1972 based on the newly initiated Cost Unit Feed-Back System, determine minority group under-utilization by job category and make specific projections to correct deficiencies.

2. Have minority group representation in all Departments and Cost Centers where feasible, as vacancies occur, and when qualified or qualifiable people are available.

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In general, it is obvious that The First National Bank of Denver has "walked the extra mile" in attempting to afford equal employment opportunity and therefore, it gives me pleasure to find this institution in compliance with Treasury Regulations.

Again, thank you for your cooperation.

Sincerely yours,

David A. Sawyer
DAVID A. SAWYER
Director
Equal Opportunity Program

Mr. Theodore D. Brown
Executive Vice President
The First National Bank of Denver
17th at Welton Street
Denver, Colorado 80202

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DX-80

THE FIRST NATIONAL BANK OF GREELEY
Robert M. Gilbert, President

April 19, 1971

Mr. Eugene J. Metzger
Metzger, Schwarz & McKenna
Attorneys at Law
One Farragut Square South
Washington, D. C. 20006

Dear Gene:

Enclosed herewith is copy of letter and material which I received this morning from The First National Bank of Chicago, one of our eastern correspondents.

This may not be of any use to you, but I thought you should be aware of it in view of the correspondent banking theory recently raised by the Justice Department.

Looking forward to seeing you soon,

Sincerely,

Bob
President
RMG:hc
Enclosures

BOOK TOO LARGE FOR FILMING-POSSIB

1991

THE FIRST NATIONAL BANK OF CHICAGO

William T. Dwyer/Vice President
Division F/Commercial Banking Department

April 15, 1971

Mr. Robert M. Gilbert
President
First National Bank
P. O. Box 1058
Greeley, Colorado 80631

Dear Mr. Gilbert:

During our Conference of Bank Correspondents late last November, I told you of our plans to distribute to you an Advance Planning Manual covering the major ways in which we can serve you.

Prior to completion of the Manual, I want you to have this most important chapter: the section covering *Loan Assistance.* Not only is this a fundamental part of our correspondent service to which we have been giving increased attention, but there is no function of your bank in which advance planning can be more meaningful.

In an attempt to greater activate this service, we suggest following these important steps:

1) Please use the "request forms" to list loans for participation.
2) Send statement and operating figures of your borrower when you mail these forms to us.
3) Call your First Chicago representative with details if this seems more practical than using the form, and
4) On our part, we will be phoning you or visiting with you soon to encourage your use of this service.

Furthermore, we invite your response on the matter of advance planning and the use of this approach to describe our services.
Thank you.

Sincerely,
Illegible

One First National Plaza/Chicago, Illinois 60670

THE FIRST NATIONAL BANK OF CHICAGO

Division F, Banks & Bankers
Advance Planning Manual
Service: Loan Assistance Program

I. *Overlines*

You are already aware of our desire to be of assistance to your bank on loans which exceed your "authorized" loan limit. Your "authorized" loan limit may be defined as

(1) your legal limit established by statute or regulatory authority, or
(2) your in-bank policy limit established by your Board of Directors or Chief Lending Officer.

In either instance, we at The First National Bank of Chicago are anxious to be of assistance to your credit worthy customers which exceed your authorized loan limit and which have had our prior credit approval.

II. *Liquidity Line of Credit*

This is a new service of The First National Bank of Chicago and represents a one-year commitment in advance to your bank for a pre-determined amount of credit indicating that we will participate in your credits which have had our prior approval. In order to take maximum advantage of this program, we recommend that your bank submit for our approval as early in the year as possible the financial information necessary to approve these participations with your seasoned and credit worthy customers. This does not preclude the submission of additional customers' names for approval as the year progresses, but we do ask your cooperation in allowing us at least one week to give adequate consideration to these requests.

III. *These are the Types of Borrowers You Will Be Considering*

A. *Agricultural Credits*

1. *Livestock Loans*—available to your customers whose livestock operations are becoming larger and more complex. A high degree of management skills is required to be successful in these expanding operations. Our agricultural

BOOK TOO LARGE FOR FILMING–PO

loan specialists have had many years' experience in financing all segments of the livestock industry, including feeder cattle, breeding cattle, hogs, and dairy operations. When your bank needs assistance in large livestock loans, why not ask one of our experienced livestock loan officers for assistance?

2. *Crop Loans*—available to your bank's customers who are involved in large corn or soybean farming as well as those who engaged in more specialized crops. Our agricultural loan officers have had lending experience in all of these areas and stand ready to be of assistance to your bank and your customer.

3. *Term Loans*—available to your bank's customers who may be contemplating unusually large capital investments for foundation livestock, machinery and equipment, enclosed feeding pens and other fixed asset expenditures. These loans are usually extended for periods of three to five years and borrower should be able to demonstrate ability to repay this loan out of earnings within that period of time.

B. *Commercial Loans*

1. *Working Capital Loans*—available to your bank's customers whose business is cyclical or seasonal in nature with proceeds of our loan being used to carry peak inventories and receivables. Generally these loans should be paid out completely once or twice a year for at least 30-60 days.

2. *Term Loans*—available for the purchase of new plant facilities, equipment, rolling stock, fixtures, etc. to customers with an established record of earnings and repayable over period of three to five years; this includes considerations of revolving credits which evolve into a term loan.

3. *Acquisition Loans*—available to your bank's customers who are interested in acquiring other companies or divisions of other companies so as to expand their growth pattern.

4. *Interim Construction Loans*—Whenever your bank's customer has a takeout commitment from a reputable institutional lender to make a first mortgage on a new plant, office building, warehouse, etc. be sure to contact The First

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National Bank of Chicago about our interest in handling or participating in the interim construction loan.

5. *Installment Credit Loans*—some of your customers may be distributors or retailers of automobiles, boats, mobile homes, travel trailers, personal airplanes, etc. and may need help in financing their receivables.

C. *Holding Company Lines*—if your bank is now or will become a subsidiary of a bank holding company, please contact us for lines of credit to the holding company which will be used primarily to back up the issuance of commercial paper but may include use for operating capital needs as well.

D. *Summary*—The First National Bank of Chicago is anxious to be of assistance to your bank and its customers on all types of credit accommodations. In order to assure full employment of your loanable funds, we recommend that our participation be on the basis of last-in-first-out or we will agree to participate on a pro-rata basis from the outset, depending on which program best suits your loan portfolio.

By obtaining our commitment in advance, you can help your customer avoid the uncertainties of last year's economic conditions which severely limited our ability to assist our correspondent banks on loan requests involving acquisitions and other non-productive purposes.

For your convenience, please use the request sheet which follows on the next page.

THE FIRST NATIONAL BANK OF CHICAGO

Division F, Banks & Bankers
Advance Planning Manual
Request for Loan Assistance

Date .....

The First National Bank of Chicago
One First National Plaza
Chicago, Illinois 60670

Attention: .....

Please contact the officer listed below, regarding loan assistance to our customer:

.....
Name of Customer

Nature of transaction: .....

.....

.....

.....

Legal Limit $ ..... Bank: .....

In-House Limit $ ..... Address: .....

Participation Officer's Name: .....

Amount $ .....

Total Credit

Available $ ..... Title: .....

For Use Within FNBC

Disposition	*Date*	*By*
Received	.....	.....
Logged	.....	.....
Territory	.....	.....
Credit Adm.	.....	.....
Bank Advised	.....	.....

1995

THE FIRST NATIONAL BANK OF CHICAGO

Division F, Banks & Bankers
Advance Planning Manual
Request for Loan Assistance

Date .....

The First National Bank of Chicago
One First National Plaza
Chicago, Illinois 60670

Attention: .....

Please contact the officer listed below, regarding loan assistance to our customer:

.....
Name of Customer

Nature of transaction: .....

.....

.....

.....

Legal Limit $ ..... Bank: .....

In-House Limit $ ..... Address: .....

Participation Officer's Name: .....

Amount $ .....

Total Credit

Available $ ..... Title: .....

For Use Within FNBC

Disposition	*Date*	*By*
Received	.....	.....
Logged	.....	.....
Territory	.....	.....
Credit Adm.	.....	.....
Bank Advised	.....	.....

1996

BOOK TOO LARGE FOR FILMING–PO

[22] IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO

Civil Action No. C-2413

UNITED STATES OF AMERICA,
Plaintiff,

vs.

FIRST NATIONAL BANCORPORATION, INC., AND THE FIRST NATIONAL BANK OF GREELEY,
Defendants.

TRANSCRIPT OF PROCEEDINGS

Courtroom D
United States Court House
Denver, Colorado
Monday, August 9, 1971

The above-entitled matter came on for hearing at 9:30 a.m. before the HONORABLE WILLIAM E. DOYLE, Judge.

APPEARANCES:

For the Government: HERBERT G. SCHOEPKE and ALAN R. MALASKY, United States Department of Justice, Anti Trust Division, Washington, D. C., and CAROLYN J. MCNEILL, Office of the United States Attorney, Denver, Colorado.

For the Defendants: METZGER, NOBLE, SCHWARZ, MCKENNA and KEMPLER, Attorneys at Law, One Farragut Square South, Washington, D. C.

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[23] Whereupon, KEITH ANDERSON
was called as a witness and, having been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

By MR. SCHOEPKE:

Q. Please give your name and address and your occupation.

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A. My name is Keith Anderson, I live at 4400 East Quincy in Arapahoe County. My occupation is that I am employed by some individuals who are attempting to organize a bank holding company.

THE COURT: You are employed in this proposed Exchange National Bank and First National Bank of Pueblo proposal?

THE WITNESS: Yes, Your Honor.

Q. (By Mr. Schoepke) Mr. Anderson, I show you what [24] has been marked as Plaintiff's Exhibit 242 for identification and ask you if you recognize that document?

A. Yes, sir, I do.

THE COURT: Do you object to the authenticity of this?

MR. METZGER: We do not object to the authenticity. Of course, we would object to the entrance of any of the documents on the grounds of relevance.

THE COURT: We will reserve a ruling on receiving this in evidence until we have heard all of your evidence. But the record can show that it is an authentic document.

MR. SCHOEPKE: Also on that, Your Honor, the copy that has been marked as Plaintiff's Exhibit for the record is a photostatic copy or a Xerox copy. Does the Defendant object to it except for his——

MR. METZGER: No objection to the authenticity of any document.

THE COURT: If he agrees to the authenticity, why he doesn't care about the Xerox aspect of it.

Q. (By Mr. Schoepke) Mr. Anderson, this document is entitled "Agreement to Organize a Corporation" and there follows a list of names of the people involved in the agreement, and among the names is Keith Anderson. Are you the Keith Anderson involved?

A. Yes, sir, I am.

[25] Q. Is your signature attached to that agreement?

A. That's correct.

Q. Could you just point it out.

A. It is on Page 13.

Q. I would also like to direct your attention to Page 9 of the document and we have—I might explain, Your Honor, deleted from there the exchange rates involved. I believe counsel has no objection to our doing that. It really

has nothing to do with the present status. Does counsel agree to that deletion?

MR. METZGER: Yes.

Q. (By Mr. Schoepke) Could you tell us, if you will, what the present status of that agreement is?

A. This is an agreement by the chief executives of seven Colorado banks to organize a corporation which would act as a bank holding company. After it was signed, it developed there were some differences in philosophy as to how such a company should operate. And by mutual agreement two of the banks have decided to withdraw. This agreement will be terminated and replaced by a virtually identical one which covers the five remaining banks.

Q. Well now, could you tell us, Mr. Anderson, who the two banks are?

A. The two banks withdrawing are Guaranty Bank and Trust Company and Guaranty Bank of Stapleton.

[26] Q. Where is Guaranty Bank and Trust Company located?

A. It is located in downtown Denver.

Q. Guaranty Bank of Stapleton?

A. It is located at Stapleton Airport.

Q. How many banks, then, are presently prepared to execute——

THE COURT: Five, that's what he said.

Q. (By Mr. Schoepke) Could you state the names of those five banks and their locations as to city.

A. The First National Bank of Pueblo and Park National Bank, both of which are located in Pueblo. The Exchange National Bank in Colorado Springs. Cherry Creek National Bank which is located in Denver. South Denver National Bank which is located in a portion of Arapahoe County which is totally surrounded by the City of Denver.

Q. And on the first page of Plaintiff's Exhibit for identification 242, I note reference that, one, to the effect that one of the parties is to be an organization called Rocky Mountain Financial Services, Inc.?

A. Yes, sir.

Q. Will you describe that organization.

A. Rocky Mountain Financial Services, Inc., is a one-bank holding company which owns all the stock of Park

National Bank to which I previously referred except for directors' qualifying shares. In addition, it owns a small industrial [27] bank, a small credit life insurance company, a leasing company and a finance company.

MR. SCHOEPKE: Your Honor, I offer Plaintiff's Exhibit 242 for identification into evidence understanding the Court reserves the ruling on that.

THE COURT: Very well.

Q. (By Mr. Schoepke) Mr. Anderson, at the time that the seven Colorado banks that you have described executed their agreement to form a new bank holding company, was any press release issued at or about that time?

A. A press release was issued before the document was executed.

Q. I show you what has been marked as Exhibit 243 for identification and ask you if you recognize that document?

A. Yes, sir, I do.

THE COURT: No dispute about the authenticity of this I take it?

MR. METZGER: No, Your Honor.

THE COURT: We will reserve a ruling on this. You needn't identify it because it is agreed that it is what it purports to be, namely, a press release.

Q. (By Mr. Schoepke) This is a press release that was issued at that time?

A. Yes, sir.

MR. SCHOEPKE: Plaintiff offers it into evidence.

[28] THE COURT: We will reserve a ruling on it.

MR. SCHOEPKE: We have no further questions of Mr. Anderson.

CROSS-EXAMINATION

By MR. SCHWARZ:

Q. Mr. Anderson, would your organization, this new holding company, have been formed or attempted to be formed had there been no other bank holding companies in Colorado?

A. I can only answer for myself. I was a director of the two largest banks involved, I was very much in favor of doing so. I did participate in organizing the first of the larger companies in the state. I always believed it is a desirable method of doing business.

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Q. Mr. Malasky in his remarks preceding this testimony and, indeed, in their brief referred to the proposed holding company, yourself, as a statewide holding company; is that true?

A. No, sir, it was—the only banks presently interested in joining us are Pueblo, Colorado Springs and Denver.

Q. No banks in Greeley?

A. No, sir.

Q. Now, Mr. Anderson, are there plans for this holding company to enter into the correspondent banking service?

THE COURT: I think you are making a terrible mistake. You are going to open the door and we are going [29] to have a trial on the merits. All they proved——

MR. SCHWARZ: I withdraw the question.

THE COURT: Okay, thank you.

REDIRECT EXAMINATION

By MR. SCHOEPKE:

Q. I have just one question. With respect to Mr. Schwarz' question on statewide coverage, is it the present plan of your organization to confine itself to Colorado Springs and Denver?

A. No, sir, we would consider acquiring other well-managed banks in other parts of the state if the opportunity should present itself.

Q. The First National Bank of Greeley, should that become available, would you rule it out as a possibility at this time?

A. I would not rule it out. I would have to add, however, that I have never been in the bank and I have never met Mr. Gilbert until this morning, so our interest would be hypothetical at this time.

MR. SCHOEPKE: I have no further questions.

THE COURT: I believe that's all, Mr. Anderson. You may be excused from further attendance at this hearing.

MR. MALASKY: If it please the Court, the Plaintiff will call Mr. Roger Knight.

[30] ROGER KNIGHT

was called as a witness and, having been first duly sworn, was examined and testified as follows:

THE COURT: Please take the witness chair and state your name and address and your occupation to the reporter.

THE WITNESS: Roger B. Knight, Jr., 6 Lynn Road, Cherry Hills. I am President of the United Banks of Colorado.

DIRECT EXAMINATION

By MR. MALASKY:

Q. How long have you been President of the United Banks of Colorado?

A. Since its formation. I think we were granted approval in '64.

Q. 1964?

A. 1964.

Q. Now, Mr. Knight, the record in this case indicates that the United Banks of Colorado had proposed to acquire The Colorado Springs National Bank and that the Federal Reserve Board had approved on October 29, 1970, that proposed acquisition and that on November 26, 1970, the United States filed suit under Section 7 of the Clayton Act challenging that proposed acquisition. Could you tell the Court the present status of that proposal?

A. Well, it is non-existent. The proposal expired the day after the hearing.

[31] Q. And has that fact been publicly announced?

A. We announced a few weeks ago that there would be no re-negotiation.

Q. Could you state whether or not the United Banks of Colorado, Incorporated, presently have plans of acquiring any other banks in Colorado Springs?

A. Yes, we have.

Q. Which bank is that?

A. Colorado Commercial.

Q. And when was this announced?

A. I don't remember the exact date but it seems to me it must have been around the end of June or the first part of July.

Q. Was this announced by press release?

A. Yes.

MR. METZGER: To save the record, Your Honor, we will stipulate that the two documents, the press release dated 6/29/71 and a letter to Mr. Farrar dated November, 1971, are authentic copies.

THE COURT: That will be noted.

MR. MALASKY: Your Honor, is there any need for Mr. Knight to identify this as the press release?

THE COURT: No, it is agreed that it is what it purports to be. It says on its face that he announced it that day.

[32] MR. MALASKY: I would offer Plaintiff's Exhibit for identification 244 into evidence at this time.

THE COURT: We will reserve a ruling on that one.

Q. (By Mr. Malasky) Mr. Knight, is there presently existing any agreement or contract for the purchase of the Colorado Commercial Bank by the United Bank of Denver?

A. There is an agreement between the holding company and the principal owners of the bank.

Q. Principal owners being——

A. Mr. Fred Farrar and family.

MR. MALASKY: This is Plaintiff's Exhibit 245 which Mr. Metzger has stipulated to insofar as authenticity is concerned, and I would offer it into evidence.

THE COURT: We will hold the ruling on that one too.

MR. MALASKY: No further questions.

MR. METZGER: No questions.

THE COURT: Thank you, Mr. Knight, you may be excused from further attendance at this hearing.

Do you have any others?

MR. SCHOEPKE: No, Your Honor, that concludes the additional evidence.

MR. METZGER: I should like very briefly to call Mr. Bruce Alexander.

Whereupon,

BRUCE D. ALEXANDER

was called as a witness and, having been first duly sworn, [33] was examined and testified as follows:

THE COURT: Take the witness chair and give your name and address and your occupation.

THE WITNESS: Bruce D. Alexander; I live at 290 Dexter Street, Denver; President, First National Bancorporation.

DIRECT EXAMINATION

By MR. METZGER:

Q. Mr. Alexander, did you ever make any attempt to acquire the Colorado Commercial Bank?

A. We had discussions with the principal shareholder.

Q. You did?

A. Yes.

Q. Did you view the Colorado Commercial Bank as a vehicle for service to the business community in Colorado Springs?

A. Yes, sir.

Q. Would you similarly view the State Bank of Greeley?

A. No, I would not.

Q. As a vehicle for that purpose. I show you the opinion of the Federal Reserve Board dated August 5, 1971. In discussing and approving the acquisition by the First and Merchants Corporation of Richmond, Virginia, of The First National Bank of Danville in Danville, Virginia, and I read to you the following statement and I ask you if it accords with your experience as to the usability of the State Bank [34] of Greeley for the purpose for which you would acquire that bank.

MR. SCHOEPKE: I object to that, Your Honor. This is a Federal Reserve opinion on an acquisition in Virginia. I think it is highly remote, certainly not proper direct examination.

MR. METZGER: If I may recite——

THE COURT: Just ask him the question.

Q. (By Mr. Metzger) There is little likelihood of applicant acquiring a smaller bank in the Pittsylvania market than First National. There are four independent banks headquartered in Danville besides First National. Of these four, two are converted industrial loan associations which are unsuitable because of their size and inexperience in commercial banking practices. Does that accord with your experience?

A. Yes.

Q. And the question is also raised that there are three other independent banks in Pittsylvania which are located outside of Danville. The other two banks are relatively small and in smaller towns and are not attractive to applicant at this time. Does this accord with your experience with the two banks that the Plaintiff had proposed that you might acquire outside of Greeley?

A. Yes.

[35] MR. SCHOEPKE: I object, Your Honor.

THE COURT: Sustained. He is trying to shore up the findings because we didn't make any comment in our decision regarding the suitability of that former savings bank in Greeley. I think he just wants to do a little work on his own.

MR. SCHOEPKE: I move the testimony be stricken.

MR. METZGER: This is precisely the point Plaintiff raised in his brief, this is what he brought this hearing——

THE COURT: You mean his post-trial brief?

MR. METZGER: His brief on this motion.

THE COURT: Well, I am hesitant to make any kind of a finding as to the relationship of this tendered evidence to our case.

MR. METZGER: Your Honor, I merely offer it in the event that the Court wishes to consider that there is some relevance in the proposed acquisition of Colorado Commercial by United Bank to our case. I would suggest that if that is relevant, which I deny, this is relevant, which I suppose I deny too.

THE COURT: We will permit the evidence to stand.

MR. METZGER: That's all I have.

MR. SCHOEPKE: May I cross-examine?

THE COURT: Yes, you may.

[36] CROSS-EXAMINATION

By MR. SCHOEPKE:

Q. Mr. Alexander, you indicated in your direct examination that you had given consideration to acquiring the Colorado Commercial Bank in Colorado Springs?

A. Yes, sir.

Q. When was the first time that you did that?

A. 1968, I think it was.

Q. Have you given any consideration at any other time subsequent to it to the possibility of obtaining Colorado Commercial Bank?

A. Yes.

Q. When was that?

A. In May of 1971.

Q. And in what way did you give consideration to the acquisition of the Colorado Commercial Bank?

MR. METZGER: Objection. It goes considerably beyond the scope of direct examination.

MR. SCHOEPKE: He brought in the consideration that had been given to the acquisition of this foothold or the possibility of acquiring a foothold. It was confined to one time that it was considered. It was considered in other times and I believe that should come out in the evidence.

MR. METZGER: Counsel is again characterizing this acquisition in a way inconsistent with the testimony of the [37] witness.

THE COURT: Well, I think Mr. Alexander can answer adequately so we will permit him to answer for this limited purpose. I am not saying that this is any issue here at all but it is a theoretical issue. You are making an offering, he offered some evidence conditionally and this is, I take it, in the same vein.

MR. SCHOEPKE: Yes, Your Honor.

Q. (By Mr. Schoepke) In what way did you give consideration in May of 1971 to the possibility of acquiring the Colorado Commercial Bank?

A. I received an offer of bid on the Colorado Commercial Bank. We consider the offer.

Q. Would you say that again?

THE COURT: He received a bid, he gave it consideration.

Q. (By Mr. Schoepke) You received a bid or you received an offer to make a bid?

A. We received an offer to make a bid.

Q. Did you receive that offer to make a bid before or after the time that you announced or that you came to the agreement with Mr. Farrar to terminate the agreement concerning the acquisition of the Exchange National Bank?

A. We received it after the agreement on the Exchange National Bank was terminated. We didn't terminate it. [38] Q. Well, after the termination, I will accept that. Now, after receiving this invitation to make a bid on the Colorado Commercial Bank, did you make a bid?

A. Yes.

Q. Now, I would like to ask you with respect to your testimony concerning converted industrial banks, the South Platte National Bank. Is that to your knowledge a converted industrial bank?

A. Not to my knowledge it isn't.

Q. Is the Eaton Bank a converted industrial bank?

A. Not to my knowledge.

* * * * *

[39] THE COURT: The motion to reopen the trial for the purpose of hearing additional evidence will be denied. The proposed evidence has to do with an announcement of the forming of a new bank holding company and a proposal to acquire banks in Colorado Springs and in Pueblo in addition to Denver. This announcement came after the trial but before the final judgment of the case was entered and the request is that we take this into evidence and deal with it in our findings one way or the other. But, and I do not see that we can open the case or make additional findings upon the basis of something that has occurred subsequently and is not directly related to any of the evidence in the case. It is not newly discovered evidence as provided for by the rules and, as I suggested earlier, it is not possible to try these cases on a continuing basis. There has to be some finality. In other words, it seems to me fair to permit the Government [40] to present what they wished to present here so that they will have a record and they can utilize this any way they wish when they seek a review in the United States Supreme Court as to the other tendered evidence, namely, the fact that the United Bank of Denver is seeking to acquire a different bank in Colorado Springs to take the place of the bank, The Colorado Springs National, which did not renew its contract, in my judgment this is wholly remote here because it only shows that an inference arises that if you deny the application for major acquisition that a foothold acquisition is apt to follow. The fact that it occurred in this instance does not raise any kind of an inference in the case at bar. We found in the case at bar that the evidence was clear that the Bancorporation would not go into Greeley on any foothold basis. Accordingly, what we are asked to do is to receive evidence which raises a circumstance or inference generally and then apply it to another situation in Greeley which has its own individual facts.

By the time we stretch the inference that far it becomes weak indeed. It wouldn't have any probative value whatever as I see it. Circumstantial evidence is all right but inferences differ in strength. Sometimes they are closed end in nature unless they have lots of—they are just as good as an eye witness sometimes and sometimes they are strung out as this one is so that the basic fact is so remote from [41] the ultimate conclusion that it has no probative value whatsoever.

Accordingly, I cannot see that this Colorado Springs evidence would be usable under any condition.

As to the other proposal, it involves a supplemental situation which can be dealt with by the Federal Reserve Board and by the Court if need be. If it is as diabolical as the Government maintains, they can fully test it out in court as an independent matter in the light of the conditions that are prevalent as of that time. I am surely sympathetic with the efforts of the Government to present their picture but I do not feel that it could affect the judgment, it could only serve to confuse it. And thus the motion to supplement the record must be denied.

* * * * *

PLAINTIFF'S EX. 242

AGREEMENT TO ORGANIZE A CORPORATION

AGREEMENT dated July 1, 1971 among FREDERICK M. FARRAR, O. DONALD OLSON, J. D. ACKERMAN, J. ROBERT ARMSTRONG, BOB JOHNSTON, JR., J. LAWRENCE HAMIL, BERT A. HEREFORD, WELDON B. HAMILTON, MUNRO L. LYETH, CHARLES B. NOVAK, JOE ALPERT, HERMAN HORWICH, VICTOR V. HAWKINS, I. J. SHORE, MARLIN D. DIXON, and KEITH ANDERSON, each of whom is for convenience referred to solely by his last name.

In consideration of the mutual promises contained herein, the Parties agree as follows:

I

Recitals

1.1 *Relationships.* Each of the Parties is related in the manner described below to one or more of the corporations described in the left column below, all of which (including Rocky Mountain, a non-banking corporation) are called the "Banks." In each case the Party is also a shareholder of the Bank to which he is related.

Bank	*Parties*	*Relationships*
First National Bank of Pueblo, Colorado ("First of Pueblo")	Farrar	Chairman of the Board
	Armstrong	President
	Johnston	A Director
	Anderson	A Director
Rocky Mountain Financial Services, Inc. ("Rocky Mountain")	Farrar	Chairman of the Board
	Hamil	President
	Johnston	A Director
	Hereford	President and a Director of Park National Bank of Pueblo, a subsidiary of Rocky Mountain.
Exchange National Bank of Colorado Springs, Colorado ("Exchange")	Farrar	Chairman
	Olson	President
	Johnston	Chairman of the Executive Committee
	Ackerman	A Director
	Anderson	A Director
Guaranty Bank & Trust Co. ("Guaranty")	Alpert	Honorary Chairman
	Horwich	Chairman
	Hawkins	President

Bank	*Parties*	*Relationships*
Guaranty Bank of Stapleton ("Guaranty of Stapleton")	Shore	Chairman
	Dixon	President
	Horwich	A Director
	Alpert	A Director
Cherry Creek National Bank of Denver, Colorado ("Cherry Creek")	Lyeth	Chairman
	Hamilton	President
South Denver National Bank ("South Denver")	Hamilton	Chairman
	Novak	President

1.2 *Desirability of a Holding Company.* Each of the Parties believes that it is in the best interests of the shareholders, officers, and employees of the Bank(s) with which he is related that a new registered bank holding company (the "Holding Company") be organized which will exchange its stock for stock of each of the Banks. The Parties believe the Holding Company can increase profits and net worth, can compete more strongly with Colorado's larger banking institutions, and can diversify its activities more effectively than the Banks can, if operated separately. The Parties further believe that securities of the Holding Company can enjoy a broader and more favorable market than the securities of the individual Banks, and that the Holding Company can achieve better access to deposits and other usable funds.

II

Organization of a Holding Company

2.1 *The Corporation.* The Parties agree promptly to cause a bank holding company corporation to be organized under the laws of Colorado or such other jurisdiction as counsel may recommend. The Holding Company will have such name, articles of incorporation, bylaws, capital stock, directors, officers, and counsel as shall be determined by a "majority" of the Parties. A majority of the Parties means the concurrence of the Parties representing Banks whose shareholders would receive a majority of the shares of the Holding Company if 100% of each Bank's shares were exchanged at the ratios fixed by this agreement. In case of disagreement among the representatives of any Bank the decision of a majority of such representatives shall

have the same effect as their unanimous concurrence. The Holding Company will at the inception issue no stock except the nominal amount which may be necessary to complete the formalities of incorporation. Anderson shall receive and hold such stock as nominee for the Parties. He shall sign an investment letter in the form prescribed by the Holding Company's counsel (which shall, however, refer only to such initial issuance), and the initial stock certificate shall bear an appropriate legend referring to such letter. On completion of the exchange described herein such initial stock shall be contributed to the Holding Company's treasury.

The initial board of directors shall be:

J. D. Ackerman
Joe Alpert
Keith Anderson
J. Robert Armstrong
C. Clay Crawford
Frederick M. Farrar
John W. Gray
J. Lawrence Hamil
Weldon B. Hamilton
Victor V. Hawkins
Herman Horwich
Bob Johnston, Jr.
George J. M. Kelly
Victor Lederman
Munro L. Lyeth
Charles B. Novak
O. Donald Olson
Karl R. Ross
Ira C. Rothgerber, Jr.
C. William Schlosser
Stan Selby
I. J. Shore

The initial executive committee shall be:

Keith Anderson
Frederick M. Farrar
John W. Gray
Weldon B. Hamilton
Victor V. Hawkins
Bob Johnston, Jr.
Victor Lederman
Charles B. Novak
Karl R. Ross

The initial officers shall be:

Frederick M. Farrar	Chairman
Keith Anderson	President
Weldon B. Hamilton	Chairman of Executive Committee
Herman Horwich	Vice Chairman
Joe Alpert	Chairman of Management Committee
Karl R. Ross	Secretary and Treasurer
Charles B. Novak	Assistant Secretary and Assistant Treasurer

2.2 *Application to Governmental Authorities.* The Parties

shall use their best efforts to cause the Holding Company to: (a) apply to the Board of Governors of the Federal Reserve System for, and obtain, prior approval of its acquisition of at least the percentages required by par. 2.4 of the issued and outstanding stock of each of the Banks under the Bank Holding Company Act of 1956, as amended; (b) register with the Securities and Exchange Commission under the Securities Act of 1933, as amended, and cause to become effective, an offer to exchange Holding Company common stock for all the issued and outstanding stock of the Banks, with the exceptions described herein: (c) take such action as may be required under the Securities Exchange Act of 1934; (d) register, file or otherwise qualify such offer under the "Blue Sky" laws of those states in which the board of the Holding Company decides to make the offer; (e) apply to the Internal Revenue Service for, and obtain, a ruling that the exchange of Bank stock for Holding Company stock will be taxfree under section 351 or section 368 of the Internal Revenue Code and covering such other matters as counsel shall consider important to the Holding Company and the exchanging shareholders; and (f) apply for and obtain such other governmental approvals and make such other filings and applications with governmental bodies as the Holding Company shall consider advisable. All of such matters are called "Governmental Requirements."

2.3 *The Exchange Offer.* (a) Promptly after satisfaction of the Governmental Requirements described in Sections 2.2(b), (c) and (d) the Parties will cause the Holding Company to offer to exchange its stock for all the issued and outstanding stock of the Banks, except that such offer need not extend to shares held by persons residing in jurisdictions where in the judgment of the Holding Company board of directors the number of shares held is insufficient to justify the cost of qualifying the offer under applicable Blue Sky laws. (b) The offer shall be accompanied by a transmittal letter for execution by each exchanging shareholder and a form of the trust agreement to which he becomes a party. Such trust agreement shall provide that the Bank(s) named therein (which shall be selected by the board of directors of the Holding Company and which are herein called the Exchange Agent(s) shall hold the certificates representing Bank stock until the

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closing, shall meanwhile issue to the exchanging shareholder a negotiable receipt and shall apply all of its normal stock transfer practices to such receipts. If the conditions precedent are satisfied within the applicable period, the Exchange Agent(s) shall promptly transfer the Bank stock into the name of the Holding Company and shall deliver certificates representing the appropriate number of Holding Company shares to each exchanging shareholder upon surrender of his negotiable receipt. If such conditions precedent shall not be satisfied within such period, then the Exchange Agent(s) shall return all certificates representing bank stock to the persons entitled thereto upon surrender of the negotiable receipts. Such trust agreement shall provide that until completion of the exchange the exchanging shareholder will retain the right to vote and to receive dividends, and it shall contain such further provisions as may be advisable in the opinion of counsel covering, among other things, practices relating to lost and destroyed certificates etc.

2.4 *Conditions Precedent to the Holding Company's Obligations.* (a) The offer, which shall be contained in a prospectus filed as part of a Registration Statement under the Securities Act of 1933, as amended, shall provide in substance, that the exchange shall not be made for the stock of any bank until satisfaction of the following conditions precedent: (i) satisfaction of the Governmental Requirements described in section 2.2 within such time periods as may be fixed in the offer, which may provide that the board of directors of the Holding Company has power to extend such period, except that the original period and all extensions made by such board shall not together exceed 18 months from the time the offer is first made. Such offer may further provide that by concurrence of the Holding Company's board of directors and the board of any Bank, such offer may be extended for a longer period with respect to shareholders of that Bank; (ii) acceptance of the offer by the holders of at least 51% of the issued and outstanding stock of each of such Banks; (iii) the absence of material and adverse changes with respect to the business, property or legal liabilities affecting any such Bank; (iv) material breach of any obligation hereunder; (v) compliance with sections 3.3 and 4.2 hereof; and (vi) such other conditions precedent as may be customary in similar trans-

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actions, and as are recommended by counsel, with customary provisions for termination and waiver.

(b) The satisfaction of each condition precedent to the Holding Company's obligations shall be determined by its board. These determinations shall be based upon the following documents, and such others as the board shall consider relevant: opinions of the Holding Company's counsel, with respect to the condition described in section 2.4(a)(i); certificates from the Exchange Agent(s) and the president of each Bank, with respect to the condition described in section 2.4(a)(ii); certificates from the Parties representing each Bank, supported if requested by the board of directors of the Holding Company by opinions of the Bank's counsel and a certificate of the Bank's chief financial officer, with respect to the condition described in section 2.4(a)(iii); and such certificates and opinions as the Holding Company's board shall consider appropriate, as to the other conditions precedent described in section 2.4(a) hereof.

2.5 *Conditions Precedent to the Obligations of Each Bank.* If at least 51% of the stock of Exchange, First of Pueblo, Cherry Creek, South Denver, or Guaranty is not deposited for exchange, or if any of the conditions described in sections 2.4(a)(i), (a)(iii), (a)(iv) or (a)(v) above are not met within the applicable time period, or if no such period is fixed by the Holding Company's board of directors, the board of the Holding Company shall give notice to that fact to each of the Parties, and they shall then have 15 days to give the Holding Company written notice of election to terminate with respect to the Bank with which they are affiliated. Written notice from a majority of the Parties representing any Bank shall be required in order to terminate the offer with respect to that Bank. Parties who do not give such notice within that time will be deemed to have waived compliance with the condition precedent involved. If the offer is termined as to any Bank, all of its stock which has been deposited shall be returned by the Exchange Agent(s) pursuant to the trust agreement. Its shareholders and the Parties affiliated with it, shall have no further rights, powers, duties or liabilities under this Agreement or under the terms of the offer except for liabilities accrued under par. 4.1.

Conditions precedent which require obtaining 51% of the stock of Rocky Mountain or of Guaranty of Stapleton,

or which arise under 2.4(a)(vi) may be waived by the board of the Holding Company and, if so waived, shall not be a basis for termination under this section 2.5.

III

Exchange Ratios

3.1 *The Ratios.* The exchange offer shall provide that the Holding Company shall exchange its shares of common stock for presently outstanding shares of the capital stock of each of the Banks at the ratios set forth below:

Name of Bank	No. of Holding Co. Shares to be Issued for Each Share of the Bank's Capital Stock	Total No. of Holding Company Shares to be Issued Assuming 100% Acceptance of the Offer

3.2 *Fractional Interests.* No fractional shares or scrip will be issued at the time of the exchange. Instead the Exchange Agent(s) will issue a purchase order under which each shareholder who would otherwise be entitled to a fractional share may for thirty days elect either to sell his fractional interest for cash or to purchase a fractional interest sufficient, when combined with his purchase order, to equal one whole share. The price for such fractional interests shall be fixed by the board of directors of the Holding Company, unless there is an actual market for Holding Company stock, in which case the market price shall prevail.

3.3 *No Dilution.* (a) No Party shall cause, or insofar as he is able to prevent such an occurrence, permit any Bank to issue or contract to issue additional options, warrants, scrip or shares of stock of any class or any other securities convertible into stock or conferring rights to acquire stock until the closing under the exchange offer, or cause or permit such action thereafter except with the approval of the holders of a majority of its stock. Each Party represents to the others that the Bank(s) with which he is affiliated do not now have outstanding any such

options, warrants, scrip, contracts, or convertible securities or other obligations to issue stock or other securities. In case additional stock or convertible securities are during that period issued or contracted to be issued the exchange ratio, applying to all stock of such Bank including stock already deposited, shall be the number obtained by dividing (a) the total number of shares of Holding Company stock issuable to the shareholders of such Bank under section 3.1, assuming 100% exchange, by (b) the number of shares of Bank stock to be outstanding after all additional shares issuable in such transaction (including conversions) have been issued.

(b) Notwithstanding the foregoing, if the regulatory authorities having jurisdiction over any Bank shall require that its capital be increased before the closing such Bank may issue additional stock for cash, in the smallest amount satisfactory to such authorities, at a price approved by the Holding Company's board, which shall affirmatively determine that such price will not result in any dilution of the per share book value or earnings of the Holding Company stock to be issued in exchange for stock of such Bank. In that event the exchange ratio for such Bank's stock shall remain unchanged, but the total number of Holding Company shares to be issued to such Bank's shareholders (assuming 100% exchange) shall be proportionately increased. The Parties shall, however, use their best efforts to persuade regulatory authorities to defer any such capital increase until after completion of the exchange.

IV

Covenants

4.1 *Affirmative Covenants.* Each of the Parties agrees as follows: (a) to use his best efforts to obtain the exchange of all the stock of the Bank with which he is affiliated for Holding Company stock. Such efforts shall include, without limitation, letters recommending the exchange, personal visits or telephone calls with shareholders, and organization of the bank's officers to make individual solicitations of all shareholders, all of which solicitations shall, however, comply with applicable securities laws; (b) to use his best efforts to cause all conditions precedent to the exchange to be satisfied within the applicable time limits; (c) to use his best efforts to cause the Bank with which he is affiliated

to lend to the Holding Company sums sufficient to pay for its share (based on the ratios set forth in section 3.1) of all costs of organization of the Holding Company (the Parties contemplate that Anderson and his secretary will be employed full time for that purpose) and (d) to keep the Parties and the Holding Company fully informed of all material developments in the business and affairs of the Banks with which they are affiliated, giving the Holding Company's officers, counsel and CPAs full rights to inspect the books, records, premises and operations of the respective Banks.

4. *Negative Covenants.* (a) Each of the Parties agrees not to cause, or insofar as he is able to prevent such an occurrence, to permit any of the Banks by action or omission to fail to satisfy the conditions precedent relating to the exchange of that Bank's stock. (b) Each of the Parties agrees to cause dividends and other distributions to shareholders of the Banks with which he is affiliated to be limited to the following amounts:

Bank	Amount
First of Pueblo	$0.50 per share per quarter
Rocky Mountain	$0.10 per share per year
Exchange	$0.75 per share per quarter
Guaranty	$1.50 per share per year
Guaranty of Stapleton	$0.50 per share per year
Cherry Creek	$0.40 per share per quarter
South Denver	$0.25 per share per quarter

V

General Provisions

5.1 *Notices.* All notices to be given under this agreement shall be sent by registered mail addressed to each of the Parties at his address as it appears immediately following his signature to this agreement. Any Party may, however, by notice so given to the Holding Company change his address for the purposes of future notices.

5.2 *Substitution of Parties.* In case of the death or disability of any Party the other Parties affiliated with his Bank shall promptly cause a board member, major stockholder, or senior officer to be substituted in his place as a Party to this agreement. Such substitution shall be ac-

complished by execution of an instrument by the Holding Company and by the new Party, affirming such substitution. Substitution may similarly be made upon request of any Party if consented to by the Holding Company's board of directors and by the new Party.

5.3 *Paragraphs, Headings, etc.* The headings of articles and sections herein are only for convenient reference and shall not affect the interpretation or effect of this agreement.

5.4 *Binding Effect.* This instrument may be executed in any number of counterparts each of which shall be considered an original. It contains the entire agreement of the Parties relating to the subject matter hereof. It may not be amended nor may obligations hereunder be waived except by an instrument in writing signed by all Parties. It shall bind and inure to the benefit of the Parties, their successors and assigns and the substitutes described above.

/s/ J. D. Ackerman
J. D. ACKERMAN
Address: 1406 No. Toote
Colorado Springs, Colorado 80909

/s/ Joe Alpert
JOE ALPERT
Address: 3501 East Floyd Dr.
Denver, Colorado 80110

/s/ Keith Anderson
KEITH ANDERSON
Address: 7901 East Belleview Avenue
Englewood, Colorado 80110

/s/ J. Robert Armstrong
J. ROBERT ARMSTRONG
Address: Illegible & 7th Avenue
Pueblo, Colorado 80110

/s/ Marlin D. Dixon
MARLIN D. DIXON
Address: 1830 S. Filbert St.
Denver, Colorado 80110

/s/ Frederick M. Farrar
FREDERICK M. FARRAR
Address: 80B 3084
Colorado Springs, Colorado 80901

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/s/ J. Lawrence Hamil
J. Lawrence Hamil
Address: 305 Burns Bldg.
Colorado Springs, Colorado 80902

/s/ Weldon B. Hamilton
Weldon B. Hamilton
Address: 3446 Smith Rave Street
Englewood, Colorado 80110

/s/ Victor V. Hawkins
Victor V. Hawkins
Address: 3601 So. Quaker St.
Denver, Colorado 80239

/s/ Bert A. Hereford
Bert A. Hereford
Address: 1518 Alexander Circle
Pueblo, Colorado 81001

/s/ Herman Horwich
Herman Horwich
Address: 1510 S. 10th Avenue, Apt. 10E
Denver, Colorado 80218

/s/ Bob Johnston, Jr.
Bob Johnston, Jr.
Address: Rt. 2 Box 44
Denver, Colorado 81039

/s/ Munro L. Lyeth
Munro L. Lyeth
Address: (illegible)
Colorado

/s/ Charles B. Novak
Charles B. Novak
Address: 3701 S. Pine Way
Denver, Colorado 80907

/s/ O Donald Olson
O. Donald Olson
Address: 314 W. Del Norte
Colorado Springs, Colorado 80907

/s/ I. J. Shore
I. J. Shore
Address: 3166 So. (illegible) St.
Denver, Colorado 80210

PLAINTIFF'S EX. 243

For release June 8, 1971]

The management of seven Colorado banks announced today that they have agreed to organize a new bank holding company. The banks are First National and Park National in Pueblo, Exchange National in Colorado Springs, and Guaranty Bank & Trust Co., Cherry Creek National, South Denver National and Guaranty Bank of Stapleton, all in Denver. In addition the new holding company will include Rocky Mountain Financial Services, Inc. of Colorado Springs and Pueblo, which owns an industrial bank, a finance company, a leasing company and a credit life insurance company, as well as Park National Bank of Pueblo. The holding company, which is yet to be named, will offer to make a tax free exchange of its stock for stock of the banks and Rocky Mountain Financial Services, Inc. as soon as legal requirements can be completed.

The banks in the group had 1970 yearend deposits of $211 million and 1970 after-tax earnings were $2.2 million. Assets of the banks, together with those of Rocky Mountain Financial Services, Inc. amounted to $240,322,849.

Frederick M. Farrar, who is chairman of First National Bank of Pueblo and Exchange National Bank of Colorado Springs, will be chairman of the new company; Herman Horwich of Guaranty Bank in Denver, will be vice chairman; Weldon B. Hamilton, President of Cherry Creek and Chairman of South Denver National, both in Denver, will be chairman of the executive committee. Joe Alpert, honorary chairman of Guaranty Bank & Trust Co., will be chairman of the management committee. Keith Anderson, Denver lawyer, will be president. The other organizers are: O. Donald Olson, President of Exchange; J. Robert Armstrong, President of First National of Pueblo; Bob Johnston, Jr., a director of First of Pueblo and of Exchange National; J. Lawrence Hamil, President of Rocky Mountain Financial; Bert A. Hereford, President of Park National of Pueblo; Munro L. Lyeth, Chairman of Cherry Creek National; Charles B. Novak, President of South Denver National; Victor V. Hawkins, President of Guaranty; I. J. Shore, Chairman of Guaranty of Stapleton and Marlin Dixon, president of that bank. The board will consist of representatives of all the larger banks.

Exchange National, which had $71 million of deposits on April 20, is the largest bank in the state which is not already a member of a holding company group.

The offer to shareholders of the various banks will be made by a prospectus which will be part of a registration statement to be filed soon with the Securities and Exchange Commission. The exchange cannot be completed until this registration becomes effective and until approval of the Federal Reserve Board is obtained. The organizers estimated today that all legal formalities can be completed in early 1972.

PLAINTIFF'S EX. 244

UNITED BANKS OF COLORADO, INC.
UNITED BANK CENTER
1700 Broadway
Denver, Colorado 80217

Contact: Thomas Stokes
892-7121

6/29/71 *For Immediate Release*

Roger D. Knight, Jr., President, United Banks of Colorado, Inc., announced today that United Banks of Colorado will purchase for cash controlling interest in the Colorado Commercial Bank. A similar offer will be made to the remainder of the bank's stockholders.

Colorado Commercial Bank is the fifth largest bank in Colorado Springs with assets of $19 million. United Banks of Colorado reported first quarter assets of $762 million and is the state's largest bank holding company.

Approval of the Federal Reserve Board is required to complete the acquisition.

In October of 1970, United Banks received approval from the Federal Reserve Board for acquisition of the Colorado Springs National Bank. The Justice Department later filed suit to block that acquisition. The purchase agreement between United Banks of Colorado and the stockholders of Colorado Springs National Bank has expired and will not be renegotiated.

Knight also announced that United Banks of Colorado will purchase a new building now under construction in Colorado Springs, which will house the Colorado Commercial Bank.

Other United Banks are located in Aurora, Boulder, Denver, Fort Collins, Grand Junction, Greeley, Lakewood, Littleton, and Pueblo.

Received July 6, 1971

PLAINTIFF'S EX. 245

UNITED BANKS
OF COLORADO, INC.

UNITED BANK CENTER
1700 Broadway
Denver, Colorado 80217
Telephone: (303) 244-8811

July 1, 1971

Mr. Frederick M. Farrar
5th Floor, Exchange National Bank Building
Colorado Springs, Colorado 80909

The Colorado Commercial Bank
(the "Bank")

Dear Mr. Farrar:

This letter when accepted by you will constitute our agreement concerning the purchase from you and your affiliates of certain Bank stock and of the new Colorado Commercial Bank Building and related property interests in Colorado Springs, Colorado. For convenience you will be called "Farrar" and we will be called "UBC."

1. *Sale of Bank Stock.* Subject to the terms and conditions of this agreement, the parties agree:

(a) UBC shall purchase from Farrar, acting for himself, members of his immediate family and trusts established for their benefit (all, including Farrar, called collectively in this paragraph 1 the "Sellers"), and Sellers shall sell to UBC, 69,858 shares of the Bank's $5 par value common stock (the "Stock") at a price of $42 per share, or an aggregate consideration of $2,934,036. Consideration for the Stock shall be payable in cash as follows:

(i) $850,870.44 on the Closing Date, and

(ii) $2,083,165.56 on January 2, 1972, except that if the Closing Date is in 1972 the entire purchase price shall be payable without interest on the Closing Date. Interest shall be payable quarterly on the amount set forth in (ii), the quarter-annual payments to be measured from the first day of the month in which the Closing Date occurs. The annual rate of interest shall be the prime rate on 90-day

loans to substantial and responsible commercial borrowers in effect from time to time at United Bank of Denver National Association, such rate to change automatically on the effective date of each prime rate change.

(b) UBC shall offer to purchase all additional shares of the Bank's outstanding common stock at a price of at least $42 a share. At the option of UBC this offer need not be made until and unless UBC has purchased the Stock hereunder.

(c) Sellers warrant and represent that they have full authority to sell and deliver the Stock and that the Stock will be delivered by them on the Closing Date free and clear of all liens, encumbrances, equities and claims. Sellers hereby reaffirm their warranties, representations and agreements in the Prospectus insofar as they relate to the Stock and the Bank. As used hereafter in this agreement the term "Prospectus" refers to the prospectus delivered by Farrar to UBC on May 10, 1971, as amended by his clarifying letter on May 28, 1971.

(d) Sellers further agree (i) that between the date of this agreement and the Closing Date the business of the Bank will be conducted only in the ordinary course, unless UBC specifically consents to contrary action, and (ii) that until the Closing Date UBC and its representatives shall have full access at reasonable times to the Bank's books, records and properties. Specifically, the Bank shall neither declare nor pay any dividends prior to the Closing Date.

2. *Sale of the Building.* Subject to the terms and conditions of this agreement, the parties agree:

(a) On the Closing Date, UBC shall purchase from the Owner thereof (the "Owner"), and Farrar shall cause the Owner to sell, the new Colorado Commercial Bank Building (the "Building") and related real property interests (the Building and such related interests hereafter collectively called the "Property") for an aggregate price of $2,300,000. Farrar represents the Owner to be a general partnership * of which Mr. Farrar's wife and Arkansas-Platte & Gulf, Inc. ("AP & G"), a Colorado corporation wholly owned by members of his immediate family, are the sole partners. The "related real property interests" referred to above

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* Named Colorado Commercial Bank Building Company.

are what are termed and described in the Prospectus as (i) the Krause Parcel and (ii) the leasehold interests in the Day and Rhodes Parcels. The stock of Jaberta Corporation, described on pages 4 and 5 of the Prospectus, shall be assigned with the Building for no additional consideration.

(b) The exact terms and conditions of the sale of the Property shall be set forth in a purchase agreement to be prepared and executed by the parties as promptly as possible after this letter has been signed by Farrar and returned to UBC. Such agreement shall contain provisions customarily found in real estate purchase agreements and shall contain provisions as to the following:

(i) UBC will assume ground rent payments as of the Closing Date, with any prepayments prorated to the Closing Date. Additionally, UBC will use its best efforts to obtain the release of Owners from any obligations under the Day and Rhodes ground leases.

(ii) The purchase price set forth above includes a commitment by AP & G to expend $197,250 in tenant "fixup" on floors 2 through 6 of the Building. Any such expenditures prior to the Closing Date shall be credited against the $197,250, upon satisfactory proof thereof, and any balance remaining as of the Closing Date shall be deducted from the purchase price.

(iii) Except as stated in (ii), the Building shall be completed on or before the Closing Date in accordance with the plans and specifications previously delivered to UBC.

(iv) Between the date hereof and the Closing Date the Owners will obtain UBC's prior consent to any proposed lease which has either (A) annual rent of less than $6.75 a square foot, or (B) a term of more than three years or (C) tenant "fixup" costs exceeding $4.70 per square foot. Notwithstanding the foregoing, the Owners shall not enter into any lease with the Bank or any lease covering any part of floor 2 without the prior consent of UBC. The consent of UBC will not be unreasonably withheld and UBC will use its best efforts and provide active support in the leasing of the Building.

(v) Commissions paid or payable for obtaining tenant leases for the Building shall be prorated between the parties as of the Closing Date and the Property

purchase price adjusted accordingly. Proration of each lease commission shall be based on the particular lease term or the term over which the commission is payable, whichever is longer.

(c) UBC will arrange a loan of up to $1,850,000 to AP & G, with interest at an annual rate 1% above the prime rate described in subparagraph 1(a) above, adjustable as therein set forth, on the following terms and conditions:

(i) the loan will be made on July 15, 1971;

(ii) the promissory note evidencing the loan will be executed by Farrar, his wife and AP & G;

(iii) the loan shall be secured by (A) a deed of trust covering the Property interests, which instrument will constitute a first lien subject only to the prior rights of the lessors of the Day and Rhodes ground leases, and (B) 18,500 shares of the common stock of The First National Bancorporation, Inc.;

(iv) the contents of financial statements supplied by Farrar and his wife indicate an aggregate net worth in excess of $2,400,000; and

(v) the loan shall be repaid from proceeds received by the borrowers on the Closing Date or, if this agreement is terminated pursuant to paragraph 5, on May 31, 1972.

3. *Contingency of Performance.* The obligations of each party hereunder is contingent upon the performance of all obligations of the other party. In particular, sale of the property is contingent upon sale of the Stock as herein described.

4. *Closing Date.* The Closing Date hereunder shall occur within 45 days after UBC has obtained approval from the Board of Governors of the Federal Reserve System of its acquisition of the Stock, the exact date, time and place of closing to be fixed by UBC upon at least 24 hours' notice to Farrar, except that if the proposed transaction is enjoined or stayed by court or governmental action such 45-day period shall be extended an additional 21 days. Notwithstanding anything in the Prospectus to the contrary, no additional option payment need be paid by UBC if the Closing Date does not occur on or prior to December 29, 1971.

5. *Termination.* (a) This agreement may be unilaterally terminated by either party (and the closing will not take place) if any of the following shall occur:

(i) The Federal Reserve Board renders an unfavorable ruling with respect to acquisition of the Stock by UBC.

(ii) The Closing Date has not occurred on or before April 30, 1972.

(iii) There has been a material and adverse change in the assets, liabilities or business of the Bank. A change will be considered "material and adverse" only if the book value of the Bank, as of the end of the month preceeding the month in which the Closing Date occurs, shall be 10% or more below the Bank's book value as of April 30, 1971. The latter book value (excluding the bad debt reserve) is hereby established to be $1,685,753, and for this purpose the government securities portfolio will be valued at cost and the stock of 400 East Pikes Peak Corporation will be valued at $200,000. Any dispute as to this matter shall be determined by the Bank's regularly employed independent public accountant.

(iv) The parties are unsuccessful in negotiating a purchase agreement with respect to the Property or, if negotiated, such agreement terminates by its terms on or prior to the Closing Date. It is understood that stated grounds for termination of such purchase agreement will include (A) inability to deliver good and marketable title, free and clear of all liens, encumbrances and claims (other than the rights of the lessors under the Day and Rhodes ground leases), and (B) a prior default under either of such ground leases.

(v) There has been a material breach of the other party's obligations hereunder or any of such party's representations and warranties hereunder are false or incorrect in any material respect.

(b) In case of any termination pursuant to subparagraph (a), neither party shall have any obligation to the other. The $100,000 transmitted to Farrar by UBC on June 9, 1971 shall be retained by Farrar unless UBC ter-

minated this agreement pursuant to (a)(iii), (a)(iv) or (a)(v), in which case such sum, without interest, shall be promptly returned to UBC.

(c) If the closing occurs as herein described, the $100,000 referred to above shall be applied against that portion of the purchase price of the Stock due on the Closing Date.

6. *Miscellaneous.* (a) Neither party shall, by act or omission, cause any representation or warranty in this agreement to become untrue or incorrect. Each shall use diligent and continuous efforts to cause the performance of all obligations hereunder.

(b) UBC warrants and represents that its proposed activities hereunder have been duly authorized by its board of directors.

(c) Unless otherwise defined, the terms used in this agreement shall have the same meaning given to them in the Prospectus.

(d) All notices and other communications shall be in writing and if for UBC shall be hand delivered or mailed, first class mail, to:

United Banks of Colorado, Inc.
1700 Broadway
Denver, Colorado 80202

and if for Farrar shall be hand delivered or mailed, first class mail, to:

Frederick M. Farrar
5th Floor, Exchange National Bank Building
Colorado Springs, Colorado 80902

(e) This agreement may not be assigned by either party and shall not be deemed to benefit any shareholder of the Bank other than the Sellers identified in subparagraph 1(a). With such exception, it shall be binding upon and inure to the benefit of the parties and their personal representatives, successors and assigns.

(f) The date of this agreement shall be deemed to be the date it is executed below by Farrar.

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If you agree with the foregoing, please so indicate by executing and returning two copies of this letter to us.

Very truly yours,

UNITED BANKS OF COLORADO, INC.
By [illegible]
President

ACCEPTED AND AGREED to
on July 1, 1971.

/s/ Frederick M. Farrar
FREDERICK M. FARRAR

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO

UNITED STATES OF AMERICA, *Plaintiff,*	
v.	Civil Action
THE FIRST NATIONAL BANCORPORATION, INC. AND THE FIRST NATIONAL BANK OF GREELEY, *Defendants,*	No. C-2413

Filed, Aug. 27, 1971, G. WALTER BOWMAN, *Clerk.*

ORDER

In accordance with the oral opinion rendered by this Court on August 9, 1971, after hearing, regarding the disposition of Plaintiff's *Motion to Re-Open the Record, to Make Additional Findings of Fact and to Amend the Judgment*, dated July 22, 1971, and Plaintiff's *Motion to Extend the Statutory Stay*, dated August 3, 1971;

IT IS HEREBY ORDERED that the aforesaid *Motion to Re-Open the Record, etc.* is denied.

/s/ William E. Doyle
United States District Judge

Dated:
Approved as to form:

/s/ Herbert G. Schoepke
Attorney, Department of Justice
Attorney for Plaintiff

METZGER, SCHWARZ, MCKENNA & KEMPLER

By: Carl W. Schwarz
A Member of the Firm
Attorneys for Defendants

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO

ED STATES OF AMERICA,
Plaintiff,

v.

T NATIONAL BANCORPORATION,
AND THE FIRST NATIONAL
K OF GREELEY,
Defendants.

Civil Action
No. C-2413

NOTICE OF APPEAL TO THE SUPREME COURT OF THE UNITED STATES BY THE UNITED STATES OF AMERICA

otice is hereby given that the United States of America, ntiff herein, appeals to the Supreme Court of the ed States, under the Expediting Act, 15 U.S.C. Section rom the judgment entered July 12, 1971, dismissing complaint in this action, which became final upon entry e order of August 27, 1971, denying the timely motion e plaintiff, United States, to re-open the record, make tional findings of fact and conclusions of law, and grant elief request in the complaint as amended.

JAMES L. TREECE
United States Attorney
/s/ Carolyn J. McNeill

By CAROLYN J. McNEILL
Assistant U. S. Attorney
323 U.S. Courthouse
Denver, Colorado 80202

HOWARD E. SHAPIRO
HERBERT G. SCHOEPKE
Attorneys
Department of Justice
Anti-Trust Division
Washington, D.C. 20530

SUPREME COURT OF THE UNITED STATES

No. 71-703

UNITED STATES,

Appellant,

v.

FIRST NATIONAL BANCORPORATION, INC., *et al.*

APPEAL from the United States District Court for the District of Colorado.

The statement of jurisdiction in this case having been submitted and considered by the Court, probable jurisdiction is noted.

February 22, 1972

Mr. Justice Powell took no part in the consideration or decision of this case.

☆ U.S. Government Printing Office: 1972—463-672/679